



News Flash – The revised *Acute Inpatient Prospective Payment System Fact Sheet* (January 2009), which provides general information about the Acute Inpatient Prospective Payment System (IPPS) including IPPS payment rates and how IPPS payment rates are set, is now available in downloadable format from the Centers for Medicare & Medicaid Services (CMS) Medicare Learning Network at <http://www.cms.hhs.gov/MLNProducts/downloads/AcutePaymntSysfctshst.pdf> on the CMS website.

MLN Matters Number: MM6329

Related Change Request (CR) #: 6329

Related CR Release Date: March 6, 2009

Effective Date: Discharges on or after October 1, 2005 through September 30, 2006

Related CR Transmittal #: R1695CP

Implementation Date: July 6, 2009

Providers Submitting Information Regarding Medicare Beneficiaries Entitled to Medicare Advantage (MA) for Fiscal Year (FY) 2006 for the Medicare/Supplemental Security Income (SSI)

Provider Types Affected

Inpatient Prospective Payment System (IPPS) hospitals that received disproportionate share hospital (DSH) and Inpatient Rehabilitation Facilities (IRF) that received low income patients (LIP) payments and which provided care to Medicare Advantage (MA) Beneficiaries during FY 2006. IPPS hospitals that did not receive DSH payments and IRFs that did not receive LIP payments may also want to review this article.

What You Need to Know

Change Request (CR) 6329, from which this article was taken, advises hospitals that received DSH payments and IRFs that received LIP payments are required to submit informational only bills to your Medicare contractor (fiscal intermediary (FI) or Medicare Administrative Contractor (MAC)) for the MA beneficiaries that you treated on or after October 1, 2005 through September 30, 2006 (FY 2006). IPPS hospitals and IRFs that did not receive such payments have the option of submitting FY 2006 informational claims for MA patients, but they are not required

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to do so. These claims are needed to ensure that the SSI data for FY 2006 accurately reflects MA patient days for purposes of DSH or LIP calculations. **Hospitals must submit their FY 06 claims between July 1, 2009 and November 30, 2009.**

Teaching hospitals should have already submitted their MA claims with Condition Codes 04 and 69 in order to be reimbursed for their Indirect Medical Education (IME) and Direct Graduate Medical Education (DGME) payment. Therefore, teaching hospitals must not re-submit MA claims and are not affected by CR 6329.

Background

Part of the calculation that Medicare uses to determine whether a hospital is eligible for DSH/LIP add-on payments is based on the percentage of days for which the Medicare Part A entitled beneficiary received SSI payments from the Social Security Administration (SSA).

Effective July 1, 2009, IPPS hospitals and IRFs must submit informational only bills to your Medicare contractor for the MA beneficiaries that you treated on or after October 1, 2005 through September 30, 2006 (FY 2006).

Specifically, hospitals and IRFs need to submit informational only claims (**Covered 11X Type of Bill (TOB)**, not 110), showing Medicare Fee-for-Service (FFS) as the primary payer, no Medicare Secondary Payer (MSP), condition code 04, the beneficiary's Medicare Health Insurance Claim (HIC) number, and all other required Medicare fee-for-service claim data elements needed for the inpatient claim for MA beneficiary discharges on or after October 1, 2005 through September 30, 2006. In addition, IRFs will also need to append Case Mix Group (CMG) A9999 to the Revenue Code 0024 line and include the discharge date in the 'service date' field.

You should be aware that:

1. Teaching hospitals should have already submitted their MA claims with Condition Codes 04 and 69 in order to be reimbursed for their Indirect Medical Education (IME) payment. Therefore, teaching hospitals must not re-submit MA claims and are not covered under this instruction; and
2. IPPS hospitals and IRFs that did not qualify for DSH/LIP payments in FY 2006 have the option to submit FY 2006 MA claims, but are not required to do so.

Also please note that your Medicare contractors will override timely filing for covered 11X TOBs, will suppress the Medicare Summary Notice (MSN) on covered 11X TOBs when Condition Code 04 is present, remove deductible; and will reject claims that contain Condition Code 04 and no MA record exists in Medicare's files for the beneficiary.

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Additional Information

You can find more information about capturing MA days in SSI information for DSH or LIP calculations during Fiscal Year (FY) 2006 by going to CR 6329, located at <http://www.cms.hhs.gov/Transmittals/downloads/R1695CP.pdf> on the CMS website.

You will find the updated *Medicare Claims Processing Manual*, Chapter 3 (Inpatient Hospital Billing), Sections 20.3 (Additional Payment Amounts for Hospitals with Disproportionate Share of Low-Income Patients) and 140.2.4.3 (Low-Income Patient (LIP) Adjustment: The Supplemental Security Income (SSI)/Medicare Beneficiary Data for Inpatient Rehabilitation Facilities (IRFs) Paid Under the Prospective Payment System (PPS)) as an attachment to that CR.

Also, the IPPS regulations on DSH are located in 42 CFR 412.106 which you can read at http://edocket.access.gpo.gov/cfr_2003/octqtr/pdf/42cfr412.106.pdf and the Inpatient Rehabilitation Facility (IRF) PPS regulations on Low-Income Patients (LIP) are located in 42 CFR 412.624(e)(2), which is at http://edocket.access.gpo.gov/cfr_2005/octqtr/pdf/42cfr412.624.pdf on the Internet.

If you have any questions, please contact your FI or MAC at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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