
Program Memorandum Intermediaries

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal A-00-97

Date: DECEMBER 19, 2000

CHANGE REQUEST 1396

These Instructions Apply to the Critical Access Hospitals Only

SUBJECT: Partial Implementation of Change Request 1119

Change Request 1119, Transmittal Number 1799, of the Medicare Intermediary Manual (MIM), Part 3, gave the critical access hospitals (CAHs) two options for being reimbursed - Standard Method and Elective Method.

This Program Memorandum (PM) is to inform you that the Elective Method cannot be implemented until further notice. The revised billing instructions and systems changes that are needed are not in place. In the meantime, the CAHs that wish to elect this Method can receive equal payment by employing their physicians (in States that allow this practice) and getting the physicians to reassign Part B physician service billing rights to the CAHs. The CAH would then submit the bills to the Part B carrier.

The laboratory services payment using the fee schedule with no patient liability will be implemented as stated in Transmittal Number 1799 of the MIM.

Notify your respective CAHs upon receipt of this PM.

The *effective date* for this PM is October 1, 2000.

The *implementation date* for this PM is December 19, 2000.

These instructions should be implemented within your current operating budget.

This PM may be discarded after April 1, 2001.

If you have any questions, contact Doris Barham at 410-786-6146.

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