
Program Memorandum

Intermediaries/Carriers

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

Transmittal AB-00-20

Date: MARCH 2000

CHANGE REQUEST #1157

SUBJECT: GUIDANCE ON APRIL RELEASE IMPLEMENTATION

On April 3, 2000, HCFA planned to implement the quarterly release of the Common Working File (CWF) and Medicare Claims Processing Standard Systems. Because of the complexity of some of these changes, contractors will require more time than normal to test the changes. Consequently, we will delay the implementation of the system release until May 2000. This will impact all carrier and fiscal intermediary (FI) systems and the CWF. The delay in the April release will not affect the July release schedule.

While we are delaying the April 3 systems release, there are a number of change requests (CRs) that will be implemented on April 3. The following CRs should require minimal standard systems changes:

Change Requests to be implemented as scheduled on April 3, 2000:

- 901 DMERC Transition Period
- 1010 Coverage for Subcutaneous Insulin Inf Pump - DMERC
- 1025 Changes for Clinical Diag Lab Organ or disease - (NOTE: Carriers should pay the new panel codes beginning 4/1/00 and implement CR1025 programming effective 4/1/00.)
- 1053 2nd Quarter DMEPOS Updates
- 1070 Adjustments to PPS Payments for SNFs
- 1078 BBRA-Adjustment to Accept administrative costs (OASIS payments to HHAs, which are actually to be made no later than April 1)
- 1083 HCPCS code L0430 (TLSO) SADMERC report
- 1085 Osteogenic Stimulation - DMERC
- 1087 Clarification of ECP and ECCP
- 1088 Role of Physician in HHPPS
- 1089 Preapproval of Data Center Transitions
- 1100 List of PC, MH, DH Professional Shortage Areas
- 1105 Medigap Fraud Referrals
- 1107 Paramedic Intercept Definition
- 1109 FI Community Mental Health Center (CMHC) Enrollment and Change of Ownership (CHOW) Site Visit Process and Coordination with National CMHC Site Visit Contractor
- 1112 Liver Transplant Questions and Answers
- 1123 Change Web Address for CPT Interest
- 1129 FY2000 Hospital Inpatient Payments-(Note: The portions that do not require systems changes will be implemented timely.)
- 1134 1st Quarter MPFSDB Update-(Note: The fee schedule updates will be made, except for the changes required for the global periods for CPT codes 38120, 44201, and 60650. The changes for these codes will be made when the May release occurs.)
- 1137 Provider Access to Limited Eligibility Data
- 1138 Delay of Hyperbaric Oxygen Therapy

The balance of the changes that would have been implemented on April 3 will follow in a May release. These changes fall into several categories as follows:

Change Requests that will be deferred with no change to the effective date:

Even though the following changes will be made in the May release, the effective dates of these changes will remain as reflected in the approved CR. In these cases, claims will continue to be processed as they are today until the May release. As noted below in this section, carriers/intermediaries will be required to take certain actions for some CRS for claims processed between April 3 and the implementation date of the May release. We will not be asking the carriers/intermediaries to initiate any reprocessing, except as noted for CR 1129. If the claims submitter wishes to resubmit such claims for appropriate adjustments after the May release in order to benefit from the retroactive effective dates, the submitter will be able to do so. These changes are:

- 967 Chiropractic Services
- 969 Medicare Coverages of Abortion Services
- 994 Collection of Encounter Data for LTC
- 1006 Prostate Cancer Screening
- 1025 Changes for Clinical Lab Organs or Disease (NOTE: Intermediaries should pay the new panel codes beginning 4/1/00 and implement CR 1025 programming effective with the next model release schedule. Intermediaries should, on a post-pay basis, review claims submitted with CPT-4 (HCPCS codes) 80048, 80051, 80053, 80069, or 80076 in order to deny any duplicate payments for the period from April 1, 2000, until the implementation date of the May release.
- 1044 Payment for Blood Clotting Factor - This deferral applies only to users of the APASS system. FISS made this change in January, 2000.
- 1049 Pancreas Transplant Diagnosis Codes (This change adds more explanatory information to EOMBs to show why the claim was denied. Customer service representatives should be aware of this and be ready to assist in responding to beneficiary questions.)
- 1073 SNF PPS changes - (NOTE: This change will be made in the standard systems release in May. However, the effective dates of these payment changes will be retroactive to April 1. Normally, most SNFs bill for services on a monthly basis by billing during the first week of the month for services rendered in the preceding month. Consequently, most SNF bills for April will not be received until May and can be paid properly with the May release. However, to assure proper payment, **all intermediaries are instructed** to hold claims for services in April until the May release is available, at which time, the intermediaries should release these for processing. Some SNFs may bill during April for services rendered in March and April. When a SNF claim is received for services covering two different months AND there are different payment rates covering each of those months, normal practice is for the intermediaries to return those claims to the provider with instructions to split the claims into two claims, one for each month. Likewise, claims received in April for services in March and April are to be returned to the provider. When the provider resubmits the claim as two claims, the intermediary should apply normal processing to the claim for March services and hold the claim for April services until the May release, at which time the claim should be processed.
- 1091 New Waived and PPMP Tests
- 1129 FY2000 Hospital Inpatient Payments- (Note: This applies to those portions of 1129 that require systems changes. Intermediaries should pay particular attention to the more detailed instructions under the section **Reclassification of Certain Counties** concerning necessary actions to take for claims processed between April 3 and the implementation date of the May release. These detailed instructions, which are being released separately, will include instructions to FIs to do accelerated payments until the required systems changes are made.

Change Requests that will be deferred with a change to the effective date:

Some changes will be deferred until the May release and their effective dates will coincide with the date of the release. In these cases, submitters can submit the claims without interruption (with two exceptions noted below for CRS 980 and 1032 concerning limits on line items), since the claims will be processed based on the rules in effect at the time services were rendered. These change requests are:

- 937 Clarification of Modifier Usage in Reporting Hospital Outpatient Services
 952 New COB Contractor NBRs for MSP Savings
 978 Calculation of Average Allowed Charge for residual Items
 980 CMHC Requirements to Report Line Item dates of service and changes in reporting of units. FIs should advise their CMHCs not to report in accordance with Transmittal #7, issued in November 1999, until after you receive further instructions. In addition, do not implement edit requirements from Transmittal #1784 until that time. Both of these transmittals relate to CR 980. FIs should process claims containing more than 56 line items as they do today, either splitting the claim for the provider or returning it to the provider to be split. If the FI returns the claims to the provider to be split, the FI should inform providers they have the option of holding the claims until the implementation date of the May release or creating separate claims not to exceed 56 lines per claim.
- 995 Update to the MSPPAY Module for Intermediary Claims processing
 999 Cryosurgery of Prostate Gland
 1004 CCI v6.1 quarterly update
 1011 Reporting of Non-MSP Currently not Collected
 1016 NSF/ERA v.2.01
 1032 Hospital Requirements to Report Line item dates of service, changes in reporting of units, and notification of claims line item expansion. FIs should advise their hospitals not to report in accordance with Transmittal #747, issued in December 1999, until after you receive further instructions. In addition, do not implement edit requirements from Transmittal #1787 until that time. Both of these transmittals relate to CR 1032. FIs should process claims containing more than 56 line items as they do today, either splitting the claim for the provider or returning it to the provider to be split. If the FI returns the claims to the provider to be split, the FI should inform providers they have the option of holding the claims until the implementation date of the May release or creating separate claims not to exceed 56 lines per claim. **Carriers should also note that the claims expansion also includes changes to the CWF header reply record and the Trailer-8 record for carriers as described in CWF CR# 17575 and these changes will also be deferred.**
- 1079 Addition of Modifiers 25 and 78 to the list Approved for Hospitals
 1095 PS&R UNIBILL Record
 1126 Correction to CR#952 COB Contractor Numbers
 1130 Correction to CR#1016 NSF/ERA

Provider Notification

Carriers and intermediaries should review the delayed CRS to determine the impact on providers and take appropriate steps to convey relevant information about this Program Memorandum (PM), and the CRs mentioned herein, to their provider communities. This includes posting these instructions on your web site, providing this information to your customer service representatives who deal with providers, contacting relevant provider associations, etc. If any provider educational events, training classes, or speaking engagements are planned during the remainder of March and April, notify your trainers/speakers to include relevant information regarding this PM in their remarks. We will issue additional instructions as soon as we determine a firm date for the May release.

The effective date for this PM is April 1, 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 Joseph Broseker at (410) 786-1950 or Chester Robinson at (410) 786-6963.