

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-04 Medicare Claims Processing</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 1526</b>	<b>Date: May 30, 2008</b>
	<b>Change Request 5990</b>

**SUBJECT: Institutional Services Paid on the Medicare Physician Fee Schedule (MPFS)**

**I. SUMMARY OF CHANGES:** This Change Request (CR) adds a new section to Chapter 1, of the Medicare Claims Processing Manual that identifies the institutional services at the revenue code level that may be paid on the Medicare Physician Fee Schedule (MPFS) by the Type of Bill (TOB).

**New / Revised Material**

**Effective Date: July 1, 2008**

**Implementation Date: July 7, 2008**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	Chapter / Section / Subsection / Title
R	1/Table of Contents/General Billing Requirements
N	1/170/Payment Bases for Institutional Claims
N	1/170.1/Services Paid on the Medicare Physician Fee Schedule (MPFS)

**III. FUNDING:**

**SECTION A: For Fiscal Intermediaries and Carriers:**

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

**SECTION B: For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**Business Requirements**

**Manual Instruction**

*\*Unless otherwise specified, the effective date is the date of service.*



#### IV. SUPPORTING INFORMATION

**Section A: For any recommendations and supporting information associated with listed requirements, use the box below:**

*Use "Should" to denote a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information:

**Section B: For all other recommendations and supporting information, use this space:**

#### V. CONTACTS

**Pre-Implementation Contact(s):** Cindy Murphy, 410-786-5733, [cindy.murphy@cms.hhs.gov](mailto:cindy.murphy@cms.hhs.gov) or Maria Durham, 410-786-6978, [maria.durham@cms.hhs.gov](mailto:maria.durham@cms.hhs.gov).

**Post-Implementation Contact(s): Regional Offices**

#### VI. FUNDING

**Section A: For *Fiscal Intermediaries (FIs), Carriers, and Regional Home Health Carriers (RHHs)*:**

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

**Section B: For *Medicare Administrative Contractors (MACs)*:**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

# Medicare Claims Processing Manual

## Chapter 1 - General Billing Requirements

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### Table of Contents *(Rev.1526, 05-30-08)*

*170 - Payment Bases for Institutional Claims*

*170.1 - Services Paid on the Medicare Physician Fee Schedule (MPFS)*

## ***170 - Payment Bases for Institutional Claims***

***(Rev. 1526, Issued: 05-30-08, Effective: 07-01-08, Implementation: 07-07-08)***

*There are many different payment mechanisms that apply to institutional claims. Among these are reasonable cost, prospective payment systems, all of which require at least some bundling of services, and various fee schedules.*

### ***170.1 - Services Paid on the Medicare Physician Fee Schedule (MPFS)***

***(Rev. 1526, Issued: 05-30-08, Effective: 07-01-08, Implementation: 07-07-08)***

*The following chart shows for selected Types of Bill (TOB) those revenue codes containing (some) services payable on the MPFS.*



