Medlearn Matters
Information for Medicare Providers

Related Change Request (CR) #: 3391
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Effective Date: October 1, 2004
Implementation Date: January 3, 2005

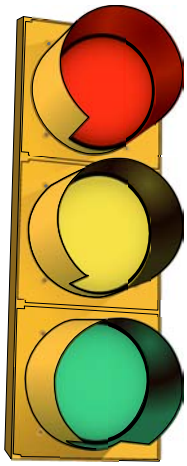
Medlearn Matters Number: MM3391

Crossover Patients in New Long Term Care Hospitals (LTCH)

Provider Types Affected

New Long Term Care Facilities

Provider Action Needed



STOP – Impact to You

Previously, when a facility operating as an acute care hospital was converted to a LTCH, patients were discharged under the IPPS (acute care) provider number and readmitted under the LTCH provider number, although the patient never left the facility.

CAUTION – What You Need to Know

This new policy will pay one discharge payment to the discharging LTCH for patients that were admitted prior to the effective date of a hospital's transition to a LTCH. Such patients are referred to as "crossover patients."

GO – What You Need to Do

You must bill the patient's entire stay under the new LTCH provider number. You must cancel any bills paid under the acute hospital provider number for patients that are still in your facility.

Background

When a hospital changes designation and provider number, the policy has been to discharge the patient under the "old" provider number and readmit the patient under the "new" provider number (Pub. 100-04, Chapter 3, section 100.4.1 and 150.14.1). This has resulted in two payments to a facility for the same patient.

When a hospital undergoes a change in ownership or a change in classification from an acute care hospital to an LTCH, payment issues arise for "crossover" patients who were admitted prior to the change in classification and who are still hospitalized under the new provider number. Since all LTCHs are required to be certified as acute hospitals and generally be paid under the IPPS for six months prior to designation

as a LTCH, in 42 CFR 412.23(e), there are "crossover patients" who were admitted to the facility when it was an acute care hospital and are still patients when the conversion to the LTCH occurs. Medicare pays twice in those cases for what was really one episode of care since separate payments are made to both the acute hospital and the LTCH.

The Centers for Medicare & Medicaid Services (CMS) is establishing a consistent policy for such situations to avoid this situation. Therefore, Medicare will issue one discharge-based payment to the hospital that discharges the patient under the applicable payment system. The payment methodology used will consider all the days of the patient stay in the facility (both prior to and following the date of LTCH designation) to be a single episode of LTCH care.

Payment for this single episode of care will include the day and cost data for that patient at both the acute care hospital and the LTCH in determining the payment to the LTCH under the LTCH PPS. Further, the days of the patient's stay both prior to and following designation as a LTCH are counted in determining the patient's total length of stay at the LTCH, both for payment purposes as well as for the LTCH's average length of stay (ALOS) calculation under 42 CFR 412.23(e)(2) and (3).

This policy applies only to a patient stay in an acute care hospital that is designated as a LTCH on or after October 1, 2004.

Implementation

These instructions will be implemented on January 3, 2005.

Additional Information

The revised section of the *Medicare Claims Processing Manual (Pub. 100-04, Chapter 3, section 100.4.1 and 150.14.1)* are attached to the instruction issued by CMS to your intermediary. That instruction may be found at:

http://www.cms.hhs.gov/manuals/transmittals/comm_date_dsc.asp

Once at that page, scroll down the CR NUM column on the right to CR3391 and click on the file for that CR.

If you should have questions, contact your intermediary on their toll free number, which may be found at:

http://www.cms.hhs.gov/medlearn/tollnums.asp