

Related Change Request (CR) #: 3337

Medlearn Matters Number: MM3337

Related CR Release Date: June 10, 2004

Effective Date: October 1, 2004

Implementation Date: October 4, 2004

Transmittal #: 199

Clarification for Medlearn Matters 3031: Medicare Need for a Specific Line Item Date of Service (LIDOS) for Each Revenue Code on ALL Outpatient and Inpatient Part B Claims

Provider Types Affected

All providers submitting outpatient and inpatient Part B claims to Medicare

Provider Action Needed



STOP – Impact to You

Using a date range instead of a single date in the LIDOS field on outpatient and inpatient Part B claims will not be accepted by Medicare on or after October 1, 2004.

CAUTION – What You Need to Know

Medicare business rules rely on a single date in the LIDOS field of these claims in order to ensure accurate payment. Effective October 1, 2004, Medicare will reject claims that use a range of dates in the LIDOS field on these claims.

GO – What You Need to Do

Refer to the *Background* and *Additional Information* sections below for full details on this requirement and make sure that your billing staffs are aware of this change.

Background

Transmittal 107 (CR 3031) issued on February 24, 2004 requires Medicare claims processing systems to make certain changes to implement the HIPAA X12N 837 institutional 837 transaction. (See http://www.cms.hhs.gov/manuals/pm_trans/R107CP.pdf.) These changes are needed to resolve issues with Coordination of Benefits (COB) transactions with third-party payers.

Business requirement 3031.1, within CR3031, requires Medicare fiscal intermediaries (FIs) to edit outpatient claims to ensure each contains a line item date or dates of service for each revenue code. However, effective for claims submitted on or after October 1, 2004, the Centers for Medicare & Medicaid Services (CMS) will require an single date in the LIDOS field on all outpatient claims and inpatient Part B

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claims. Medicare fiscal intermediaries will reject any such claims where the LIDOS field contains a range of dates.

In determining the national payment rates under the outpatient prospective payment system (OPPS), CMS uses the dates of service in order to correctly attribute the costs of packaged services and items to the procedure for which they are used. This requires the single LIDOS, not a date range.

Also, in order to ensure that CMS does not pay for services on a separate claim that were paid as part of a bundle on another claim, Medicare edits outpatient claims using the LIDOS. This applies to all services on inpatient hospital claims and all but a few specified exceptions on an inpatient SNF claim. This requires separate dates of service as opposed to a date range.

Thus, so that CMS may support these business rules and facilitate recalibration of OPPS payment rates in future years, Medicare FIs will reject as unprocessable all outpatient claims and inpatient Part B claims that contain a range of dates in the LIDOS field.

Additional Information

Effective October 1, 2004, all claims submitted on bill types 12x, 13x, 14x, 22x, 23x, 24x, 32x, 33x, 34x, 71x, 72x, 73x, 74x, 75x, 76x, 81x, 82x, 83x, and 85x must contain a single date in the LIDOS field or the claim will be rejected as unprocessable.

The complete instruction issued by CMS to your FI may be found at:

http://www.cms.hhs.gov/manuals/pm_trans/R199CP.pdf

If you have any questions regarding this issue, please contact your FI at their toll-free number, which may be found at:

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

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