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# CMS Manual System

## Pub. 100-04 Medicare Claims Processing

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Department of Health &  
Human Services (DHHS)  
Centers for Medicare &  
Medicaid Services (CMS)

Transmittal 291

Date: August 27, 2004

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CHANGE REQUEST 3433

**SUBJECT: Use of Transmission Date in the Service Date/Assessment Date Field for Inpatient Rehabilitation Facility Prospective Payment System (IRF PPS) Claims**

**I. SUMMARY OF CHANGES:** Effective for discharges on or after October 1, 2004, a date in the service date/assessment date field of the UB-92 or electronic equivalent (2400 ASSESSMENT DATE DTP) of the Revenue Code 0024 line is required. This CR provides consistency to IRFs as to which date is acceptable. We will require the transmission date of the IRF Patient Assessment Instrument (PAI) record to CMS. We are updating the manual appropriately.

**NEW/REVISED MATERIAL - EFFECTIVE DATE\*:** Discharges on or after October 1, 2004

**IMPLEMENTATION DATE:** January 3, 2005

*Disclaimer for manual changes only: The revision date and transmittal number apply to the red italicized material only. 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 not updated.)  
(R = REVISED, N = NEW, D = DELETED) – (Only One Per Row.)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	3/140.3.4/Payment Adjustment for Late Transmission of Patient Assessment Data

**III. FUNDING:** Medicare contractors shall implement these instructions within their current operating budgets.

**IV. ATTACHMENTS:**

X	Business Requirements
X	Manual Instruction
	Confidential Requirements
	One-Time Notification
	Recurring Update Notification

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

# Attachment - Business Requirements

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**SUBJECT: Use of Transmission Date in the Service Date/Assessment Date Field for Inpatient Rehabilitation Facility Prospective Payment System (IRF PPS) Claims**

## I. GENERAL INFORMATION

**A. Background:** When IRF PPS was implemented on January 1, 2002, CMS did not require a “service” date on the Revenue Code 0024 line of the IRF PPS claim (Transmittal A-01-131, dated November 1, 2001). We stated that this field was optional and that a date could be entered if the IRF PAI record was submitted more than 28 calendar days after discharge. If so, the 25% penalty would be applied to the claim.

**B. Policy:** Effective for discharges on or after October 1, 2004, CMS will now require that the date of the transmission of the IRF PAI be recorded in the “Service Date” field of the UB-92 (Field Locator 45) or electronic equivalent (on the 837i, this field is located in 2400 ASSESSMENT DATE DTP) of the Revenue Code 0024 line. Should this transmission date be 28 or more calendar days from the discharge date of the claim, the 25% penalty will be applied.

### C. Provider Education:

A Medlearn Matters provider education article related to this instruction will be available at [www.cms.hhs.gov/medlearn/matters](http://www.cms.hhs.gov/medlearn/matters) shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article must be included in your next regularly scheduled bulletin. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.

## II. BUSINESS REQUIREMENTS

*“Shall” denotes a mandatory requirement*

*“Should” denotes an optional requirement*

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
3433.1	FISS shall accept the transmission date of the IRF PAI record to CMS in the service date/assessment date field of the 0024 revenue code line of the claim.					X				
3433.1.1	FISS shall accept the transmission date on a discharge claim (patient status does not equal 30).					X				
3433.1.2	FISS shall accept the transmission date on or after the discharge date of the claim.					X				
3433.1.3	FIs shall RTP claims with missing or invalid transmission date.	X								
3433.1.4	FISS shall transmit the transmission date to CWF.					X				
3433.2	CWF shall accept and store the transmission date.								X	

### III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

#### A. Other Instructions: N/A

X-Ref Requirement #	Instructions

**B. Design Considerations:**

<b>X-Ref Requirement #</b>	<b>Recommendation for Medicare System Requirements</b>
3433.1	The assessment date field on the 837i is located in 2400 ASSESSMENT DATE DTP.
N/A	FISS shall continue to set the “special payment indicator” flag to “2” if the transmission date is more then 28 calendar days from the date of discharge on the claim.
N/A	FISS shall continue to pass this flag to the IRF Pricer, so that the penalty can be applied to the claim.

**C. Interfaces: N/A**

**D. Contractor Financial Reporting /Workload Impact: N/A**

**E. Dependencies: N/A**

**F. Testing Considerations: N/A**

**IV. SCHEDULE, CONTACTS, AND FUNDING**

<p><b>Effective Date*:</b> Discharges on or after October 1, 2004</p> <p><b>Implementation Date:</b> January 3, 2005</p> <p><b>Pre-Implementation Contact(s):</b> Sarah Shirey for claims processing concerns at <a href="mailto:sshirey@cms.hhs.gov">sshirey@cms.hhs.gov</a> or August Nemece for policy questions at <a href="mailto:anemec@cms.hhs.gov">anemec@cms.hhs.gov</a></p> <p><b>Post-Implementation Contact(s):</b> Appropriate Regional Office</p>	<p><b>Medicare contractors shall implement these instructions within their current operating budgets.</b></p>
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## 140.3.4 - Payment Adjustment for Late Transmission of Patient Assessment Data

*(Rev. 291, Issued: 08-27-2004, Effective: Discharges on or after October 1 2004, Implementation: January 3, 2005)*

In accordance with the regulations, Medicare (Part A fee-for-service) patient assessment data, *collected through the inpatient rehabilitation facility patient assessment instrument (IRF-PAI)*, must be transmitted to the CMS National Assessment Collection Database by the 17th calendar day from the date of the patient's discharge. Under 412.614(d)(2), if the actual transmission date is later than 10 calendar days from the mandated transmission date, the patient assessment data is considered late and the IRF receives a payment rate that is 25 percent less than the payment rate associated with the case-mix group (CMG). Therefore, if the IRF transmits the patient assessment data 28 calendar days or more from the date of discharge, with the discharge date itself starting the counting sequence, the penalty is applied.

On Revenue Code line 0024, Field Locator 45 (or electronic equivalent), Service Date, when entered by the provider or CMS adjustment process, will equal the date on which the final assessment was transmitted to the CMS National Assessment Collection Database. This field is *mandatory on all discharge IRF PPS claims, whether the IRF PAI was transmitted late or not. Transmission of the IRF-PAI data record 28 or more calendar days after the discharge date specified on the claim will result in the claim incurring the 25 percent late IRF-PAI data transmission penalty.* If the provider does not complete this field *accurately* and the *IRF PAI data record is transmitted* 28 calendar days or more from the date of discharge, CMS will utilize a post-payment review process to identify claims subject to the late penalty and institute an adjustment process to correct payment. Complete details of the CMS post-payment review process will be determined at a later date.

The following modifications were made to the IRF Pricer to account for the payment adjustment:

Under the inputs to Pricer, the "payment modification flag" has been changed to "special payment indicator." This is an alpha-numeric field with valid entries of 0 - 3 currently.

The shared systems will set the payment modification flag to:

- 1 = If the claim has Condition Code 66 entered
- 2 = If the *IRF-PAI data record transmission* date present on the revenue code line with 0024 is 28 calendar days or more from the date of discharge on this claim
- 3 = Both 1 and 2 above apply, or
- 0 = Default value

Under Pricer outputs, Pricer returns a "penalty amount" field. When applicable, the amount in this field will equal 25 percent of the total payment amount computed by

Pricer. The total payment amount field will be then be reduced by the penalty amount so that the final total payment amount output by Pricer will be 75 percent of the *total* payment *amount* due the provider.

Return codes 10 - 17 identify claims where there was a penalty and mirror return codes 00 – 07.