



**News Flash** - If you treat a Medicare Advantage enrolled beneficiary and you have questions about their Medicare Advantage Plan, you may wish to contact that plan. A plan directory and MA claims processing contact directory are available at <http://www.cms.hhs.gov/MCRAdvPartD/EnrollData/> on the CMS website. CMS updates this site on a monthly basis.

MLN Matters Number: MMS647

Related Change Request (CR) #: 5647

Related CR Release Date: July 20, 2007

Effective Date: October 1, 2006

Related CR Transmittal #: R1311CP

Implementation Date: January 7, 2008

## **Capturing Days on Which Medicare Beneficiaries are Entitled to Medicare Advantage (MA) in the Medicare/Supplemental Security Income (SSI) Fraction**

### **Provider Types Affected**

Hospitals billing either a Medicare Administrative Contractor (A/B MAC) or fiscal intermediary (FI) for services provided to Medicare beneficiaries enrolled in a Medicare Advantage plan.

### **Provider Action Needed**

This article is based on Change Request (CR) 5647, which states that, as of January 7, 2008, hospitals (this includes acute care hospitals paid under the inpatient prospective payment system, inpatient rehabilitation facilities (IRF), and long term care hospitals (LTCH)) must begin to submit "no pay" bills to their Medicare contractor for stays by Medicare Advantage (MA) beneficiaries. This will allow for the days of those stays to be eventually captured in the DSH (or low income patient (LIP) for IRF) calculations.

### **Background**

Change Request 5647 states that part of the calculation used to determine whether or not a hospital is eligible for Medicare Disproportionate Share (DSH) payments is based on the percentage of Medicare days for which the beneficiary

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was entitled to Medicare Part A and received SSI payments from the Social Security Administration (SSA). The SSA provides the SSI information to the Centers for Medicare & Medicaid Services (CMS). CMS then pulls all of the Medicare days for each eligible hospital and determines the percentage of days for which the Medicare beneficiaries were simultaneously eligible for SSI and Medicare. **The Medicare beneficiary days should include MA days in addition to Medicare fee-for-service Part A days.**

- In the past, hospitals were required to submit this information for MA beneficiaries (through 1998) by submitting a no-pay bill.
- Later, managed care organizations (MCOs) (now MA companies) were responsible for submitting this information (through 2001) as part of encounter data submissions to CMS. **Since MCOs are no longer required to submit encounter data, hospitals must submit data on their MA days so that these days may be considered in the Medicare fraction of the DSH calculation.** The IPPS regulations on DSH are located in 42 CFR 412.106.
- The Inpatient Rehabilitation Facility (IRF) PPS regulations on the Low Income Payment (LIP) are located in 42 CFR 412.624(e)(2).

### **Key Points of CR5647**

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- Hospitals may go back and submit claims with discharge dates on or after October 1, 2006 (FY 2007), so that SSI data for FY 2007 and beyond will include MA patient days.
- Hospitals should bill claims on an 11X TOB, include Condition Code 04, and all other applicable claim information because patients who are enrolled in Medicare Advantage (administered through Medicare Part C) should also be included in the Medicare fraction. These days will be included in the Medicare/SSI fraction, but in order for them to be counted, the hospital must submit a no-pay bill (TOB 11X) which includes Condition Code 04 to their Medicare contractor. This will ensure that these days are included in the IRF's SSI ratio for Fiscal Year 2007 and beyond.
- Teaching hospitals are already submitting their claims with Condition Codes 04 and 69 in order to be reimbursed for their Indirect Medical Education payment. They will continue to submit their bills with Condition Codes 04 and 69.
- To ensure that hospitals' MA days are included in the FY 2007 Medicare/SSI file (due in the summer of 2008), hospitals should try to submit their FY 2007 claims to their Medicare contractor between the implementation date (January 7, 2008) of this CR through March 2008.

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- The Supplemental Security Income (SSI)/Medicare Beneficiary Data for IPPS hospitals is located at [http://www.cms.hhs.gov/AcuteInpatientPPS/05\\_dsh.asp#TopOfPage](http://www.cms.hhs.gov/AcuteInpatientPPS/05_dsh.asp#TopOfPage) on the CMS website.

### Implementation Date

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January 7, 2008

### Additional Information

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For complete details regarding this Change Request (CR) please see the official instruction (CR5647) issued to your Medicare FI or A/B MAC. That instruction may be viewed by going to <http://www.cms.hhs.gov/Transmittals/downloads/R1311CP.pdf> on the CMS website. The revised sections of the Medicare Claims Processing Manual related to this issue are attached to CR5647.

If you have questions, please contact your Medicare FI or A/B MAC at their toll-free number which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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