

**TO: All Skilled Nursing Facility (SNF) Providers**

**FROM: CareFirst of Maryland, Inc., Medicare Medical Review**

**DATE: January 31, 2002**

**SUBJECT: Skilled Nursing Facility (SNF) Adjustment Bills to Change a HIPPS Code**

Effective for services provided on and after June 1, 2000, SNF's may submit adjustment bills to reflect corrections to the Minimum Data Set (MDS) data that result in changes to the Resource Utilization Group (RUG-III) code. Instructions have been issued to SNF's on the type of errors that may be corrected and the procedures to be followed when making these corrections, and are available at <http://www.hcfa.gov/medicaid/mds20/whatsnew.htm>

It is the expectation of the Centers for Medicare and Medicaid Services (CMS) that most MDS corrections will be made during the course of the beneficiary's Medicare Part A stay. Therefore, providers that routinely submit MDS corrections after the beneficiary's Part A stay has ended may be subject to focused Medical Review.

- Per Program Memorandum A-00-46 Change Request 1224 adjustment bills to change a HIPPS code *may not be submitted for any claim that has already been medically reviewed*. This applies whether the medical review was performed prepayment or postpayment.
- Per Medicare Provider Reimbursement Manual (HCFA Pub 15) Part I §2836 “*no retroactive adjustments are made to bills that indicate the default code [AAA00]”.*

**\*The fiscal intermediary has the authority to inactivate any adjusted claim that reflects an attempt by a provider to adjust the original claim, in whole or in part, billed at the default code (AAA00) rate. The regulations cited in this bulletin provide the intermediary with the authority to inactivate any adjustment to a previously medically reviewed claim.**

**(Sources: Provider Reimbursement Manual Part I (HCFA Pub 15) Section 2836 Program Memorandum A-00-46 & A-01-121 Change Request 1224: “Skilled Nursing Facility Adjustment Bills to Change a HIPPS Code”)**

**THIS BULLETIN SHOULD BE SHARED WITH ALL HEALTH CARE PRACTITIONERS AND MANAGERIAL MEMBERS OF THE PROVIDER/SUPPLIER STAFF. BULLETINS ISSUED AFTER OCTOBER 1, 1999 ARE AVAILABLE AT NO COST FROM OUR WEBSITE AT [www.marylandmedicare.com](http://www.marylandmedicare.com).**

**Questions related to this bulletin should be directed to Carol Perry of Medical Review at 410-561-7987.**