



Medicare Part A

MA Inpatient Claims “Shadow Billing”

The Centers for Medicare and Medicaid Services (CMS) requires hospitals and skilled nursing facilities to submit claims to the A/B MACs or Fiscal Intermediaries (FI), as well as to the Medicare Advantage (MA) plan, for inpatient services provided to Medicare beneficiaries who are enrolled in a Medicare Advantage (MA) plan.

Note: Because the MA plans do not necessarily use the Medicare Health Insurance Claim Number (HICN), be sure to copy both the Medicare and the MA plan card when the patient is admitted.

Hospitals – Inpatient Prospective Payment System hospitals, Inpatient Rehabilitation Facilities, and Long Term Care Hospitals must submit two claims for inpatient stays by Medicare Advantage beneficiaries. Sometimes called “shadow” billings, these claims must be filed with both the MA and the FI/ ABMAC in order for the inpatient days to be captured and included in the disproportionate share and low income patient calculations. The information also is used for computation of the hospital’s Indirect Medical Education (IME) payment.

If a hospital meets the disproportionate share hospital (DSH) definition, an additional operating cost payment will be made for discharges. The Low-Income Patient (LIP) adjustment accounts for differences in costs among IRFs associated in the proportion of low-income patients treated. Additional information about the calculations can be found at: <http://www.cms.hhs.gov/transmittals/downloads/R1311CP.pdf>.

The claims should be submitted as covered, and should include:

- Type of bill 11X
- Condition code 04 (information only bill)
- Condition code 69 (teaching hospitals only – Code indicates a request for a Supplemental payment for Indirect Medical Education/ Graduate Medical Education/Nursing and Allied Health)

Skilled Nursing Facilities/Swing Bed Units – To maintain correct benefit period information, skilled nursing facilities and swing bed units must submit claims to the FI/ AB MAC in addition to the claims they submit to the MA plans as long as the beneficiary remains at a skilled level of care. The coding used on these claims will allow the contractors to override edits requiring prior qualifying stay data so the skilled days can be added to the Common Working File (CWF).

The claims should be submitted as covered, and should include:

- Type of Bill 21X or 18X

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- Condition Code 04

The condition code will indicate that the claim is being submitted for information only, and the FI/MAC will not issue payment in addition to the amount paid by the MA plan.

PPS, IRF, and LTCH Example:

1		2		3a. ICD-9-CM PROC. #		3b. ICD-9-CM PROC. #		4. TYPE OF BILL	
								111	
5. PATIENT NAME		6. PATIENT ADDRESS		7. STATEMENT COVERED PERIOD FROM		7. STATEMENT COVERED PERIOD THROUGH			
				050108		050508			
10. BIRTHDATE	11. SEX	12. DATE	13. ADMISSION	14. TYPE	15. SRC	16. DRG	17. STRIP	18. CONDITION CODES	
050108								01	04
31. OCCURRENCE DATE	32. OCCURRENCE CODE	33. OCCURRENCE DATE	34. OCCURRENCE CODE	35. OCCURRENCE DATE	36. OCCURRENCE CODE	37. OCCURRENCE DATE	38. OCCURRENCE CODE	39. OCCURRENCE DATE	40. OCCURRENCE CODE
38		39		40		41		42	
VALUE CODES AMOUNT		VALUE CODES AMOUNT		VALUE CODES AMOUNT		VALUE CODES AMOUNT		VALUE CODES AMOUNT	
4,00									
43. REV. CL	44. DESCRIPTION	45. HOPS / RATE / PPS CODE	46. BEG. DATE	47. SER. UNITS	48. TOTAL CHARGES	49. NONCOVERED CHARGE			
0120		600.00		4	\$2,000.00				
0250					\$250.00				
0001					\$2,250.00				

Teaching Hospital Example:

1		2		3a. ICD-9-CM PROC. #		3b. ICD-9-CM PROC. #		4. TYPE OF BILL	
								111	
5. PATIENT NAME		6. PATIENT ADDRESS		7. STATEMENT COVERED PERIOD FROM		7. STATEMENT COVERED PERIOD THROUGH			
				050108		050508			
10. BIRTHDATE	11. SEX	12. DATE	13. ADMISSION	14. TYPE	15. SRC	16. DRG	17. STRIP	18. CONDITION CODES	
050108								01	04
31. OCCURRENCE DATE	32. OCCURRENCE CODE	33. OCCURRENCE DATE	34. OCCURRENCE CODE	35. OCCURRENCE DATE	36. OCCURRENCE CODE	37. OCCURRENCE DATE	38. OCCURRENCE CODE	39. OCCURRENCE DATE	40. OCCURRENCE CODE
38		39		40		41		42	
VALUE CODES AMOUNT		VALUE CODES AMOUNT		VALUE CODES AMOUNT		VALUE CODES AMOUNT		VALUE CODES AMOUNT	
4,00									
43. REV. CL	44. DESCRIPTION	45. HOPS / RATE / PPS CODE	46. BEG. DATE	47. SER. UNITS	48. TOTAL CHARGES	49. NONCOVERED CHARGE			
0120		600.00		4	\$2,000.00				
0250					\$250.00				
0001					\$22,500.00				

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