

## MDS Alert

### MDS & BILLING NEWS TO USE

**Ready for a new inpatient universal billing form?** It's not exactly a done deal, but the **National Uniform Billing Committee** (NUBC) has released the new UB-04 data set designed to replace the UB-92 standard institutional billing form. The NUBC was, at press time, still accepting public comments on the UB-04.

"The NUBC requested public comment on the UB-04 as a fact-finding mission to get an idea of the urgency of implementing it," says NUBC chair **George Arges**. The NUBC was convened by the **American Hospital Association** in 1975 to develop a single billing form and standard data set for institutional providers and payers. The committee includes the major provider groups and payers.

The UB-04 data set makes numerous changes to accomplish the following:

1. Improve UB alignment with the electronic HIPAA ASC X12N 837-Institutional transaction standard
2. Facilitate the migration to the National Provider Identifiers (NPIs)
3. Prepare for the upcoming Health Plan Identifier
4. Anticipate future migration from ICD-9-CM diagnosis reporting to ICD-10-CM
5. Provide support for external code lists, and reduce the reliance on claims attachments by increasing the number of clinical codes one can report.

For more information about the proposed UB-04, go to [www.nubc.org/UB04.pdf](http://www.nubc.org/UB04.pdf).

NUBC has targeted January 2007 for implementation of the UB-04 because the National Provider Identifiers go into effect May 2007, says Arges. To standardize healthcare transactions, HIPAA's administrative simplification regulations require providers to use numeric identifiers.

"The UB-92 can accommodate the NPIs but doesn't allow room for a secondary identifier," Arges tells **Eli**. "The committee's charge was to provide as smooth of a transition as possible to prevent things from falling apart in May 2007 when the NPIs go into effect," he reports.

The **American Health Information Management Association** submitted comments supporting the proposed UB-04 form's increased number of fields for diagnosis coding. The field is also larger to accommodate ICD-10-CM and ICD-10-PCS codes in the future, which are longer than ICD-9-CM codes and all alphanumeric, says **Sue Bowman, RHIA, CCS**, director of coding policy and compliance for AHIMA.

Some trade groups have questioned the wisdom of implementing the UB-04 before the ICD-10 coding system is in effect nationwide. But if NUBC recommends an implementation timetable for the UB-04, the **Centers for Medicare & Medicaid Services** will probably support it, predicts Arges.

How big of a deal would a changeover to the UB-04 be for nursing homes? "They would have to obtain new software, which is the biggest problem," says **Nathan Lake, RN, BSN, MSHA**, an MDS software developer in Seattle. "The new UB-04 shouldn't affect the MDS."

**To bill or not to bill orthotics and prosthetics just got a bit clearer**, thanks to a clarification at the Jan. 27, 2005 **Centers for Medicare & Medicaid Services**-sponsored SNF Open Door Forum. The facility where the "medical need" for the device occurred is the one responsible for billing the supplier for it, said a CMS representative. So if that setting happens to be the hospital that ordered a customized prosthesis or orthotic device that arrives after the resident is in the SNF, the hospital should bill the supplier for the device. If the resident develops a medical need for the prosthesis or orthosis after he's admitted to the SNF, the SNF would bill the supplier for it. Some customized prosthetic devices are, however, specifically excluded from SNF consolidated billing based on their HCPCS codes.

Check out the April quarterly update to the 2005 annual update of HCPCS codes used for SNF consolidated billing enforcement online at [www.cms.hhs.gov/manuals/pm\\_trans/R449CP.pdf](http://www.cms.hhs.gov/manuals/pm_trans/R449CP.pdf).