

	<b>MEDICAL ASSISTANCE BULLETIN</b> <b>COMMONWEALTH OF PENNSYLVANIA * DEPARTMENT OF PUBLIC WELFARE</b>		
	<b>ISSUE DATE:</b> September 20, 2005	<b>EFFECTIVE DATE:</b> October 1, 2005	<b>NUMBER:</b> 03-05-03
<b>SUBJECT:</b> \$10,000 Lifetime Limit on Other Medical Expenses Related to Facility Services		<b>BY:</b>  <b>David S. Feinberg</b> Deputy Secretary for Medical Assistance Programs	

**PURPOSE:**

The purpose of this bulletin is to announce that the Department of Public Welfare ((Department) will be applying a \$10,000 lifetime limit for the deduction of Other Medical Expenses (OME) related to unpaid debt for the cost of nursing facility services.

**SCOPE:**

This bulletin applies to all General Nursing Facilities, County Nursing Facilities, Special Rehabilitation Nursing Facilities, Hospital-based Nursing Facilities, Intermediate Care Facilities for the Mentally Retarded and Other Related Conditions.

**BACKGROUND/DISCUSSION:**

As a result of the Long Term Care (LTC) eligibility cost containment initiatives that were part of the Budget for fiscal year 2005-2006, it is required to track OME that are related to unpaid debt for nursing facility services. These OME are to be reported on the LTC invoice to enforce a maximum lifetime limit of \$10,000. OME will be tracked on LTC claims with the date of service after September 30, 2005. New Error Status Codes (ESC) are being developed to alert providers when the lifetime limit is close or exceeded.

**PROCEDURE:**

Providers billing for residents that have deductions from their patient pay due to incurred facility related services will use a Value Code of 31 to report the amount of the deduction. The Department will track the amounts reported with the Value Code 31. When this amount reaches an amount that is greater than \$9,500 but less than \$10,000, an ESC will set on the claim to inform the provider that the amount is approaching the lifetime limit.

When the \$10,000 lifetime limit is reached, the claim will be priced to allow only the amount that can be applied to reach the \$10,000 limit and an ESC will set to inform the provider that the approved amount has been adjusted to satisfy the OME limit.

**COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:**

Office of Medical Assistance Programs  
Bureau of Long Term Care Programs  
Division of Provider Services  
P.O. Box 8025  
Harrisburg, Pennsylvania 17105-8025  
(800) 932-0939

Visit the Office of Medical Assistance Programs website at [www.dpw.state.pa.us/omap](http://www.dpw.state.pa.us/omap).