

Managed Care Operations Memorandum
General Operations
MCOPS Memo # 04/2020-011

Date: April 27, 2020

Subject: CR Modifier and DR Condition Code for COVID-19 Disaster/Emergency Related Claims

To: All HealthChoices Physical Health Managed Care Organizations - Statewide

From: Laurie Rock, Director, Bureau of Managed Care Operations

Purpose:

Use of the CR Modifier and DR Condition Code for COVID-19 Disaster/Emergency Related Claims.

Background:

On March 6, 2020, Governor Tom Wolf issued an emergency disaster declaration in response to the presence of the COVID-19 virus in Pennsylvania. The COVID-19 outbreak was declared a national emergency under the Stafford Act on March 13, 2020, and a nationwide public health emergency on January 31, 2020 (retroactive to January 27, 2020).

The Centers for Medicare and Medicaid Services (CMS) developed guidance for use when there is a national emergency or a public health emergency to facilitate tracking of services and items provided to beneficiaries during the emergency/disaster situation.

Discussion:

Tracking the claims or services for beneficiaries diagnosed with COVID-19 should be done by using the diagnosis codes released by CMS to designate the beneficiary had the condition. The Medical Assistance program released guidance informing providers of the ICD-10-CM Official Coding Guidelines related to COVID-19 on March 17 and March 24.

However, CMS and the Department of Human Services (Department) want to track costs that were disaster related as well.

In line with CMS's direction for Medicare, the Pennsylvania Medical Assistance (MA) program will ask providers billing in the institutional format to identify claims that

are or may be impacted by specific policies related to the COVID-19 disaster with a DR (disaster related) condition code. Providers using the ASC X12 837 institutional claim format or on an institutional paper form are asked to use the DR condition code.

Providers, such as physicians or suppliers who submit claims using the ASC X12 837 professional claim format or a professional paper claim form CMS-1500 should use a CR (catastrophe/disaster related) modifier to identify claims that are or may be impacted by specific policies related to the COVID-19 disaster.

The use of the DR condition code and the CR modifier is required when submitting a claim for which the payment is conditioned on the presence of the 1135 waiver that PA applied to CMS. The following is a link to the 1135 waiver letter and checklist to provide further guidance on when the DR and CR should be used.

Next Steps:

PH-MCOs should bring their systems into alignment with the guidance issued within the Operations Memorandum.

Obsolete:

This MC OPS Memo will remain in effect until it is superseded.