

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services



Official Information Health Care  
Professionals Can Trust

FACT SHEET

## Medicare Billing: 837I and Form CMS-1450

### What are the 837I and Form CMS-1450?

The 837I (Institutional) is the standard format used by institutional providers to transmit health care claims electronically. The Form CMS-1450, also known as the UB-04, is the standard claim form to bill Medicare Administrative Contractors (MACs) when a paper claim is allowed. In addition to billing Medicare, the 837I and Form CMS-1450 may be suitable for billing various government and some private insurers.

Please note: The information in this publication applies only to the Medicare Fee-For-Service Program (also known as Original Medicare).

Data elements in the Centers for Medicare & Medicaid Services (CMS) uniform electronic billing specifications are consistent with the hard copy data set to the extent that one processing system can handle both. CMS designates the form as the Form CMS-1450 and the form is referred to throughout this fact sheet as the CMS-1450.

Institutional providers include hospitals, Skilled Nursing Facilities (SNFs), End Stage Renal Disease (ESRD) providers, Home Health Agencies (HHAs), hospices, outpatient rehabilitation clinics, Comprehensive Outpatient Rehabilitation Facilities (CORFs), Community Mental Health Centers (CMHCs), Critical Access Hospitals (CAHs), Federally Qualified Health Centers (FQHCs), histocompatibility laboratories, Indian Health Service (IHS) facilities, organ procurement organizations, Religious Non-Medical Health Care Institutions (RNHCIs), and Rural Health Clinics (RHCs).

### ANSI ASC X12N 837I

The American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12N 837I (Institutional) Version 5010A2 is the current electronic claim version. To learn more, visit the [ASC X12 website](#) on the Internet.

**ANSI** = American National Standards Institute

**ASC** = Accredited Standards Committee

**X12N** = Insurance section of ASC X12 for the health insurance industry's administrative transactions

**837** = Standard format for transmitting health care claims electronically

**I** = Institutional version of the 837 electronic format

**Version 5010A2** = Current version of the Health Insurance Portability and Accountability Act (HIPAA) electronic transaction standards for institutional providers.

The [National Uniform Billing Committee \(NUBC\)](#) makes their UB-04 manual available through their website. This manual contains the updated specifications for the data elements and codes included on the CMS-1450 and used in the 837I transaction standard. MACs may include a crosswalk between the ASC X12N 837I and the CMS-1450 on their websites.

#### CPT Disclaimer-American Medical Association (AMA) Notice

*CPT only copyright 2013 American Medical Association. All Rights Reserved.*

*CPT is a registered trademark of the American Medical Association.*

*Applicable FARS\DFARS Restrictions Apply to Government Use.*

*Fee schedules, relative value units, conversion factors and/or related components are not assigned by the AMA, are not part of CPT, and the AMA is not recommending their use. The AMA does not directly or indirectly practice medicine or dispense medical services. The AMA assumes no liability for data contained or not contained herein.*

## Implementation and Companion Guides for Electronic Transactions

ASC X12N implementation guides are the specific technical instructions for implementing each of the adopted HIPAA standards and provide instructions on the content and format requirements for each of the standards' requirements. The documents are written for use by all health benefit payers, not specifically for Medicare. Implementation guides, including Version 5010 consolidated guides, can be purchased at the ASC X12 store or from the [Washington Publishing Company](#) on the Internet.

CMS publishes a companion guide to supplement the implementation guide to provide further instruction specific to Medicare. The "5010A2 - Part A 837 Companion Guide" is located on the CMS website and provides specific 837I electronic claim loop and segment references. MACs also publish their own companion documents, which provide additional information specific to that contractor's business. To locate a MAC's Companion Guide, visit that contractor's website. Implementation guides and companion guides are technical documents, and providers may require assistance from software vendors or clearinghouses to interpret and implement the information within the guides.

## Medicare Claims Submissions

The "Medicare Claims Processing Manual" (Internet-Only Manual Publication [IOM Pub.] 100-04) is found on the [IOM](#) web page. This publication includes instructions on claims submission. [Chapter 1](#) includes general billing requirements for various institutional providers. Other chapters offer claims submission information specific to an institutional provider type. Once in IOM Pub. 100-04, look for a chapter(s) applicable to your institution and then search within the chapter for claims submission guidelines. For example, [Chapter 10](#) is entitled "Home Health Agency Billing" and contains home health billing guidelines.

Visit [Chapter 24](#) to learn more about electronic filing requirements, including the Electronic Data Interchange (EDI) enrollment form that must be completed prior to submitting Electronic Media Claims (EMCs) or other EDI transactions to Medicare. Refer to [Chapter 25](#) to learn what should be included in the 837I or in each field of the CMS-1450. The "[Medicare Benefit Policy Manual](#)," (IOM Pub. 100-02), and the "[Medicare National Coverage Determinations \(NCD\) Manual](#)," (IOM Pub. 100-03), both include coverage information that may be helpful in claims submission. Search for coverage guidance once within a chapter.

## Coding

Correct coding is key to submitting valid claims. To ensure claims are as accurate as possible, use current valid diagnosis and procedure codes and code them to the highest level of specificity (maximum number of digits) available. [Chapter 23](#) of the "Medicare Claims Processing Manual" is entitled "Fee Schedule Administration and Coding Requirements" and includes information on diagnosis coding and procedure coding, as well as instructions for codes with modifiers.

### **Diagnosis Coding**

The International Classification of Diseases, Ninth Revision, Clinical Modification (ICD-9-CM), is currently used to code diagnostic information on claims. Multiple entities publish ICD-9-CM manuals and the full ICD-9-CM is available for purchase from the AMA Bookstore on the Internet.

ICD-10-CM (10th revision) will replace the ICD-9-CM to report diagnoses at a future date. More information about the transition will be forthcoming. The [ICD-10](#) web page explains the recommended steps to plan and prepare for this new system.

### **Procedure Coding**

Use Healthcare Common Procedure Coding System (HCPCS) Level I and II codes to indicate procedures on all claims, except for inpatient hospitals. ICD-9-CM codes are used for procedure coding on inpatient hospital Part A claims.

For all other uses, Level I Current Procedural Terminology (CPT-4) codes describe medical procedures and professional services. CPT is a numeric coding system maintained by the AMA. The "CPT" code book is available from the [AMA Bookstore](#) on the Internet.

The Medicare Learning Network® (MLN) offers a downloadable guide about Evaluation and Management (E/M) codes, which are a subset of HCPCS Level I codes. The [“Evaluation and Management Services Guide”](#) is available on the CMS website.

Level II of the HCPCS is a standardized coding system that is used primarily to identify products, supplies, and services not included in the CPT codes, such as ambulance services and Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS). Because Medicare and other insurers cover a variety of services, supplies, and equipment that are not identified by CPT codes, the Level II HCPCS codes, or “alpha-numeric codes,” were established for submitting claims for these items. These codes are found in the “Health Care Procedure Coding System (HCPCS)” code book or by visiting the [Alpha-Numeric HCPCS](#) web page.

### **Modifiers**

Proper use of modifiers with procedure codes is essential to submitting correct claims. The AMA’s “CPT” code book includes HCPCS Level I codes and modifiers, while the “HCPCS” code book includes HCPCS Level II codes and related modifiers. Resources about modifiers on the CMS website include:

- The [“Modifier -59”](#) article explains the correct use of -59 as a distinct procedural service; and
- Chapters of the “Medicare Claims Processing Manual” (IOM Pub. 100-04) also offer modifier information. For example, [Chapter 30](#) includes information related to modifiers for Advance Beneficiary Notices (ABNs).

### **National Uniform Billing Committee (NUBC) Codes**

The 837I and CMS-1450 also require the use of codes maintained by the NUBC. Examples of codes maintained by the NUBC include:

- Condition codes;
- Occurrence codes;
- Occurrence Span codes;
- Value codes; and
- Revenue codes.

Additional information is available to subscribers of the NUBC “Official UB-04 Data Specifications Manual.” Visit the [NUBC website](#) to subscribe.

### **Submitting Accurate Claims**

Providers play a vital role in protecting the integrity of the Medicare Program by submitting accurate claims, maintaining current knowledge of Medicare billing policies, and ensuring all documentation required to support the medical need for the service rendered is submitted when requested by the MAC.

In addition to correct claims completion, Medicare coverage and payment is contingent upon a determination that an item or service:

- Meets a benefit category;
- Is not specifically excluded from coverage; and
- Is reasonable and necessary.

In general, **fraud** is defined as making false statements or representations of material facts to obtain some benefit or payment for which no entitlement would otherwise exist.

**Abuse** describes practices that, either directly or indirectly, result in unnecessary costs to the Medicare Program.

It is a crime to defraud the Federal government and its programs. Punishment may include imprisonment, significant fines, or both under a number of laws including the False Claims Act, the Anti-Kickback Statute, the Physician Self-Referral Law (Stark Law), and the Criminal Health Care Fraud Statute.

For more information about Medicare Program integrity functions and how institutional providers can help to protect Medicare from fraud and abuse, reference the “Medicare Program Integrity Manual” (IOM Pub. 100-08, [Chapter 4](#)) on the CMS website. The MLN also provides a fact sheet titled [“Medicare Fraud & Abuse: Prevention, Detection, and](#)

[Reporting.](#)” This fact sheet is designed to provide education on preventing, detecting, and reporting Medicare fraud and abuse. It includes definitions as well as information on laws, partnerships with other organizations, and resources for additional information.

The MLN also offers a number of [compliance education products](#) designed to help institutional providers submit accurate claims.



## When Does Medicare Accept a Hard Copy Claim Form?

Initial claims for payment under Medicare must be submitted electronically unless an institutional provider qualifies for a waiver or exception from the Administrative Simplification Compliance Act (ASCA) requirement for electronic submission of claims.

Before submitting a hard copy claim, providers should self-assess to determine if they meet one or more of the ASCA exceptions. For example, institutional providers that have fewer than 25 Full-Time Equivalent (FTE) employees and bill a MAC are considered to be small and might therefore qualify to be exempt from Medicare electronic billing requirements. If an institutional provider meets an exception, there is no need to submit a waiver request.

There are other situations when the ASCA electronic billing requirement could be waived for some or all claims, such as if disability of all members of an institutional provider’s staff prevents use of a computer for electronic submission of claims. Institutional providers must obtain Medicare pre-approval to submit paper claims in these situations by submitting a waiver request to their MAC.

To learn more about the ASCA waivers and exceptions, visit the [Electronic Billing & EDI Transactions](#) web page and select one of the ASCA options in the left menu. Refer to [Chapter 24](#), Sections 90-90.6, of the “Medicare Claims Processing Manual” (IOM Pub. 100-04) for further information on ASCA electronic billing requirements and enforcement reviews of institutional providers.

Download a sample of the form by visiting the [CMS Forms List](#) web page. In the Filter On box, enter 1450. Copies of the CMS-1450 should not be downloaded for submission of claims, since they may not accurately replicate colors included in the form. These colors are needed to enable automated reading of information on the form. Visit the [Institutional Paper Claim Form \(CMS-1450\)](#) web page for information on obtaining the CMS-1450.

## Timely Filing

Medicare claims must be filed to the appropriate MAC no later than 12 months, or one calendar year, after the date of service.

Medicare will deny claims if they arrive after the deadline date. When a claim is denied for having been filed after the timely filing period, such a denial does not constitute an initial determination. As such, the determination that a claim was not filed timely is not subject to appeal.

In general, the start date for determining the 12-month timely filing period is the date of service or ‘From’ date on the claim. Medicare uses the line item ‘Through’ date to determine the date of service for claims filing timeliness for claims that include span dates of service (that is, a ‘From’ and ‘Through’ date span on the claim).

Medicare regulations allow exceptions to the 12-month time limit for filing claims. To review these exceptions, refer to the “Medicare Claims Processing Manual” (IOM Pub. 100-04, [Chapter 1](#)) on the CMS website.

## Where to Submit FFS Claims

For beneficiaries enrolled in Original Fee-For-Service (FFS) Medicare, providers submit claims for services to the appropriate MAC. Contact the MAC by referencing the [Review Contractor Directory - Interactive Map](#) on the CMS website. Medicare beneficiaries cannot be charged for completing or filing a claim. Providers may be subject to penalty for violations.

For beneficiaries enrolled in a Medicare Advantage (MA) Plan, providers should submit claims to the beneficiary’s MA Plan. CMS provides a list of [MA claims processing contacts](#) on the CMS website.

## **Medicare Secondary Payer (MSP)**

MSP provisions apply to situations when Medicare is not the beneficiary's primary health insurance coverage. MSP provisions ensure that Medicare does not pay for services and items that certain other health insurance or coverage is primarily responsible for paying. For more information, reference the "[Medicare Secondary Payer for Provider, Physician, and Other Supplier Billing Staff](#)" fact sheet and the [Medicare Secondary Payer Provisions](#) WBT course available through the "MLN Catalog" on the CMS website. The [Medicare Secondary Payer](#) web page offers information on MSP laws and the various methods employed by CMS to gather data on other insurance that may be primary to Medicare.

## **Where to Learn More**

### **WEB PAGES**

#### **Electronic Billing & EDI Transactions**

<http://www.cms.gov/Medicare/Billing/ElectronicBillingEDITrans/index.html>

To read more about submission of electronic claims, visit the CMS Electronic Billing & EDI Transactions web page.

#### **Health Care Payment and Remittance Advice**

<http://www.cms.gov/Medicare/Billing/ElectronicBillingEDITrans/Remittance.html>

MACs use a notice called a Remittance Advice (RA) as a means to communicate to providers claim processing decisions such as payments, adjustments, and denials. The Health Care Payment and Remittance Advice web page offers information on the 835 standard transaction for the Electronic Remit Advice (ERA) and the Standard Paper Remit (SPR).

#### **HIPAA Versions 5010 and D.0 & 3.0**

<http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/Versions5010andD0/index.html>

This section of the CMS website contains information and educational resources pertaining to Version 5010, which is the version of the X12 standards for HIPAA transactions.

#### **Institutional Paper Claim Form (CMS-1450)**

[http://www.cms.gov/Medicare/Billing/ElectronicBillingEDITrans/15\\_1450.html](http://www.cms.gov/Medicare/Billing/ElectronicBillingEDITrans/15_1450.html)

This web page provides information on the Form CMS-1450 (UB-04) used by institutional providers who meet the ASCA electronic filing waiver or exception requirements.

#### **MLN Guided Pathways (GP) to Medicare Resources**

[http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Guided\\_Pathways.html](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Guided_Pathways.html)

The MLN Guided Pathways (GP) to Medicare Resources web page helps health care professionals, providers, suppliers, and contractors gain knowledge on resources and products related to Medicare and the CMS website.

#### **National Correct Coding Initiative Edits**

<http://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/index.html>

In the left column of this web page are NCCI edits for physician and hospital outpatient claims and Medically Unlikely Edits (MUEs).

### **WEB-BASED TRAINING (WBT) COURSES**

#### **"HIPAA EDI Standards"**

<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/WebBasedTraining.html>

This web-based training course is designed to provide education on electronic billing, transaction standards, and code sets. It includes an overview of the steps involved in the Medicare electronic data interchange process. To locate this course, scroll down the page and select Web-Based Training (WBT) Courses.

#### **"Medicare Billing: 837I and Form CMS-1450"**

<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/WebBasedTraining.html>

This web-based training course is designed to provide education on institutional provider Medicare claims requirements, essential aspects of paper and electronic claims submission, and Medicare claims processing actions.

### **“Medicare Billing Certificate Program for Part A Providers”**

<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/WebBasedTraining.html>

This program is designed to provide education on Part A of the Medicare Program. It includes required web-based training courses, readings, and a list of helpful resources. Upon successful completion of this program, you will receive a certificate in Medicare billing for Part A providers from CMS. To locate this course, scroll down the page and select Web-Based Training (WBT) Courses.

### **“Medicare Secondary Payer Provisions”**

<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/WebBasedTraining.html>

This web-based training course is designed to provide education on the Medicare Secondary Payer provisions. It includes information explaining how Medicare claims properly analyzed for MSP considerations reduces a provider’s Medicare claims submission errors. To locate this course, scroll down the page and select Web-Based Training (WBT) Courses.

## **INTERNET-ONLY MANUAL**

### **“Medicare Claims Processing Manual,” IOM Pub. 100-04, Chapter 25, “Completing and Processing the Form CMS-1450 Data Set”**

<http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c25.pdf>

Chapter 25 outlines billing requirements for providers using the 837I or Form CMS-1450.

## **GUIDES**

### **“Evaluation and Management Services Guide”**

[http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/eval\\_mgmt\\_serv\\_guide-ICN006764.pdf](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/eval_mgmt_serv_guide-ICN006764.pdf)

This guide is designed to provide education on evaluation and management services. It includes the following information: medical record documentation, evaluation and management billing and coding considerations, and the “1995 Documentation Guidelines for Evaluation and Management Services” and the “1997 Documentation Guidelines for Evaluation and Management Services.”

### **“MLN Guided Pathways: Basic Medicare Resources for Health Care Professionals, Suppliers, and Providers”**

[http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/GuidedPathways\\_Basic\\_Booklet.pdf](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/GuidedPathways_Basic_Booklet.pdf)

This basic curriculum includes information about Medicare resources applicable to all FFS providers.

### **“MLN Guided Pathways: Intermediate Medicare Resources for Health Care Providers”**

[http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/GuidedPathways\\_Intermediate\\_PartA\\_Booklet.pdf](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/GuidedPathways_Intermediate_PartA_Booklet.pdf)

This intermediate curriculum provides detailed resources for information on Medicare policies and requirements applicable to providers who enroll using the CMS-855A enrollment application.

### **“MLN Guided Pathways: Provider Specific Medicare Resources”**

[http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/GuidedPathways\\_Provider\\_Specific\\_Booklet.pdf](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/GuidedPathways_Provider_Specific_Booklet.pdf)

This advanced curriculum includes specialty and facility specific information for Medicare institutional providers, physicians, health care professionals, and suppliers.

## **BOOKLETS**

### **“How to Use the National Correct Coding Initiative (NCCI) Tools”**

<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/How-To-Use-NCCI-Tools.pdf>

This booklet is designed to provide education on how to navigate the CMS NCCI web pages. It includes information on how to look up Medicare code pair edits and medically unlikely edits (MUEs), as well as an explanation of how the NCCI tools can help providers avoid coding and billing errors and subsequent payment denials.

### **“Medicare Claim Review Programs: MR, NCCI Edits, MUEs, CERT, and Recovery Audit Program”**

[http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/MCRP\\_Booklet.pdf](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/MCRP_Booklet.pdf)

This booklet is designed to provide education on the different CMS claim review programs and assist providers in reducing payment errors; in particular, coverage and coding errors. It includes frequently asked questions, resources, and an overview of the various programs, including Medical Review, Recovery Audit Program, and the Comprehensive Error Rate Testing (CERT) Program.

### **“The National Provider Identifier (NPI): What You Need to Know”**

<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/NPIBooklet.pdf>

This booklet is designed to provide education on the National Provider Identifier (NPI). It includes information on NPI basics, the National Plan and Provider Enumeration System (NPPES), health care provider categories, and how to apply for an NPI.

### **“Medicare Enrollment and Claim Submission Guidelines”**

<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/MedicareClaimSubmissionGuidelines-ICN906764.pdf>

This booklet is designed to provide education on applying for enrollment and submitting claims to Medicare. It includes the following information: enrolling in the Medicare Program; private contracts with Medicare beneficiaries; Medicare claims; deductibles, coinsurance, and copayments; Beneficiary Notices of Noncoverage; and billing requirements.

## **OTHER PRODUCTS**

### **“Medicare Learning Network® (MLN) Suite of Products & Resources for Billers and Coders”**

[http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Billers\\_and\\_Coders\\_Suite\\_of\\_Products\\_Listings.pdf](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Billers_and_Coders_Suite_of_Products_Listings.pdf)

This educational web guide is designed to provide education on Medicare Program policies and procedures, accurate claims review and submission, business requirements, and federal initiatives and incentives. It includes information and direct links to billing and coding products designed to equip office professionals with a better understanding of the Medicare Program basics and accurate billing procedures.

### **New Maximum Period for the Submission of Medicare Claims Podcast**

<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Multimedia.html>

This podcast is designed to provide education on the new maximum period that providers have for the submission of Medicare claims. It includes information to determine the date of service on the claim statement. In the Filter On box, enter the name of the podcast.



**Disclaimers**

This fact sheet was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

This fact sheet was prepared as a service to the public and is not intended to grant rights or impose obligations. This fact sheet may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

The Medicare Learning Network® (MLN), a registered trademark of the Centers for Medicare & Medicaid Services (CMS), is the brand name for official information health care professionals can trust. For additional information, visit the MLN’s web page at <http://go.cms.gov/MLNGenInfo> on the CMS website.

Your feedback is important to us and we use your suggestions to help us improve our educational products, services and activities and to develop products, services and activities that better meet your educational needs. To evaluate Medicare Learning Network® (MLN) products, services and activities you have participated in, received, or downloaded, please go to <http://go.cms.gov/MLNProducts> and click on the link called ‘MLN Opinion Page’ in the left-hand menu and follow the instructions.

Please send your suggestions related to MLN product topics or formats to [MLN@cms.hhs.gov](mailto:MLN@cms.hhs.gov).



Check out CMS on:

