



MEDICARE DRG INCREASES FOR COVID-19 TREATMENT SERVICES UNDER CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT

The Centers for Medicare & Medicaid Services (CMS) have [released guidance](#) for implementing several provisions included in the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Allwell from PA Health & Wellness will be following this guidance as we adjudicate Medicare claims for applicable COVID-19 inpatient treatment services.

The CARES Act provides for a 20% increase to the inpatient prospective payment system (IPPS) Diagnosis Related Group (DRG) rate for COVID-19 patients for the duration of the public health emergency. The increase will be applied to claims that include the applicable COVID-19 ICD-10-CM diagnosis code and meet the date of service requirements, as follows:

- Discharges occurring on or after January 27 and on or before March 31:
 - **B97.29** – Other coronavirus as the cause of diseases classified elsewhere
 - CDC coding guidance [for cases discharging on March 31 and prior](#)
- Discharges occurring on or after April 1:
 - **U07.1** – COVID-19
 - CDC coding guidance [for cases discharging on April 1 and after](#)

For discharges with the diagnosis codes above, Allwell from PA Health & Wellness will follow the [Medicare billing guidance published by CMS](#). Inpatient claims for these COVID-19 discharges that have already been received will be automatically reprocessed to reflect the payment increase.

This guidance is in response to the COVID-19 pandemic and may be retired at a future date.

SOURCES:

The Centers for Medicare and Medicaid (CMS)

- <https://www.cms.gov/files/document/se20015.pdf>
- <https://www.cms.gov/files/document/mm11764.pdf>

The Centers for Disease Control (CDC)

- <https://www.cdc.gov/nchs/data/icd/COVID-19-guidelines-final.pdf>
- <https://www.cdc.gov/nchs/data/icd/ICD-10-CM-Official-Coding-Gudance-Interim-Advice-coronavirus-feb-20-2020.pdf>