

Transmittal Form CMS-1539 User Guide

Medicare Administrative Contractor (MAC) Activities

The State Agency (SA) maintains a list of the MACs available to service providers in the area. The SA includes this list in the initial kit sent to new provider candidates. This list contains the MACs' names, addresses, telephone numbers, and service areas.

Background and Applicability

The instructions and guidance for the CMS-1539 do not apply to Organ Procurement Organizations (OPOs) and Religious Nonmedical Health Care Institutions (RNHCIs).

References to Accrediting Organization's use of the fillable Form 1539 applies only for survey activities surrounding administrative changes (e.g., extension sites, relocations, adding services, etc.) and initial surveys.

Packet of Documentation Attached to Certification and Transmittals

The SA or Accrediting Organization (AO) (if applicable) uses Form CMS-1539 to certify findings to the CMS Location, MACs or State Medicaid Agency (SMA) with respect to a facility's compliance with Conditions of Participation, Conditions for Coverage, Conditions for Certification, or Nursing Home Requirements. The Form CMS-1539 is also a transmittal cover sheet for the certification packet. Note, for AOs, only Part I of the Form CMS-1539 is required. For certification actions resulting in any enforcement activities, the AO must follow existing processes for notifying CMS.

With the SA certification file, Form CMS-1539 constitutes the primary record of the determination to approve a provider or supplier. It may be used with supporting documentation in any appellate action. Therefore, the SA must complete each item thoroughly and accurately. Each new certification action requires a separate Form CMS-1539.

The Form CMS-1539 also exists as an electronic form and is more frequently used than the paper version of the form. The Form CMS-1539 is used to process updates to a provider/supplier's information in the national data system.

Definitions of Terms Used on Form CMS-1539

1 - Facility

For Form CMS-1539 purposes, facility means the provider entity or the business establishment of a provider or supplier subject to certification and approval for the provider or supplier's services to be approved for payment. If a provider operates separate provider institutions or a supplier operates separate businesses, they are separate facilities for Form CMS-1539 purposes.

A long term care (LTC) facility with a Skilled Nursing Facility (SNF) and a Nursing Facility (NF) distinct part is one facility, even though the distinct parts are separately certified for Medicare and Medicaid. “One enterprise; one facility; one certification” is NOT always the rule. Instead, CMS assigns provider identification numbers to determine how many certifications the SA prepares for any institution. (See [§2764](#).)

2 - Certified Beds

The Medicare/Medicaid program does not actually “certify” beds. This term means counted beds in the certified provider or supplier facility or the certified component. A count of facility beds may differ depending on whether the count is used for licensure, eligibility for Medicare payment formulas, eligibility for waivers, or other purposes. For Form CMS-1539, all the following are **excluded** from “certified beds”: pediatric visitors, newborn nursery cribs, maternity labor and delivery beds, intensive therapy beds which a patient occupies for only a short time (such as in radiation therapy units), and temporary extra beds. The following are **included**: designated bed locations (even though an actual bed is not in evidence) and beds that a patient occupies for an extensive period of time in special care units such as cancer treatment units and all routine inpatient beds.

3 - Dually-Participating

Dually-participating is simultaneous participation of an institution in the Medicare and Medicaid programs.

4 - Distinct Part

The term “distinct part” refers to a portion of an institution or institutional complex (e.g., a nursing home or a hospital) certified to provide SNF and/or NF services. A distinct part must be physically distinguishable from the larger institution and fiscally separate for cost reporting purposes. An institution or institutional complex can only be certified with one distinct part SNF and/or one distinct part NF. Multiple certifications within the same institution or institutional complex are strictly prohibited. The distinct part must consist of all beds within the designated area. The distinct part can be a wing, separate building, a floor, a hallway, or one side of a corridor. The beds in the certified distinct part area must be physically separate from (that is, not commingled with) the beds of the institution or institutional complex in which it is located. However, the distinct part need not be confined to a single location within the institution or institutional complex’s physical plant. It may, for example, consist of several floors or wards in a single building or floors or wards that are located throughout several different buildings within the institutional complex. In each case, however, all residents of the distinct part would have to be located in units that are physically separate from those units housing other patients of the institution or institutional complex. Where an institution or institutional complex owns and operates a distinct part SNF and/or NF, that distinct part SNF and/or NF is a single distinct part even if it is operated at various locations throughout the institution or institutional complex. The SNF and/or NF locations aggregate represents a single distinct part subprovider, not multiple subproviders, and must be assigned a single provider number.

5 - Fully Participating

Participation of an institution in its entirety either in the Medicare or Medicaid program, or both.

SA and AO (if applicable) Instructions for Completing the Form CMS 1539

The main purpose of Form CMS-1539 is to transmit the SA's certification that a facility meets or does not meet the requirements for participation. The SA completes all applicable parts of the form for Medicare/Medicaid providers/suppliers. The SA transmits the Form CMS-1539 to the MAC for all certification actions. For SAs using the iQIES national database, manual completion of the form will be required until further notice. Please note, L-Codes on the CMS 1539 form are associated with the ASPEN database. AOs will only use the Form CMS 1539 or comparable transmittal for communicating administrative changes to the MAC.

Item 1 - Medicare/Medicaid Provider No

Leave this item blank on all initial certifications. CMS assigns the CCN for all new providers and suppliers.

Item 2 - State Vendor or Medicaid Number

The SA completes this item only for those States that assign separate vendor (or Medicaid ID) numbers for internal controls or billing purposes. The SA should leave this item blank if a State does not have such a system.

Item 3 - Name and Address of Facility

The facility properties screen of the national data system automatically generates the facility's name, physical address, city, State, and zip code. A post office box without a street address is not sufficient.

Item 4 - Type of Action

For users using the ASPEN database, L8 signifies the Type of Action. For users using the manual form, select the appropriate drop-down selection for the action.

Type of Actions: Initial, Recertification, Termination, CHOW, Validation, Complaint, Onsite Visit, Termination of ICF Beds or Full Survey After Complaint, or Other.

Reminders: For Termination, this includes voluntary and involuntary terminations. For Full Survey After Complaint, this is only applicable for Hospitals, Home Health Agencies (HHAs), Ambulatory Surgical Centers (ASCs), and Hospice.

In the block provided, the SA or AO (if applicable) enters the appropriate code in accordance with the following explanations:

Initial Survey (Code 1 in ASPEN)

In addition to initial certifications, the SA or AO (if applicable) selects this code when recommending an initial denial of participation.

Recertification (Code 2 in ASPEN)

The SA or AO (if applicable) selects this code when conducting a recertification survey.

Termination or retirement of CMS Certification Number (CCN) (Code 3 in ASPEN)

The SA or AO (if applicable) selects this code for involuntary termination, voluntary termination/withdrawal, or change in status requiring a new CCN. Examples of a change in status includes:

- When a hospital converts to a Critical Access Hospital (CAH),
- When a CAH converts to a hospital,
- When a short-term hospital reclassifies to become an Inpatient Prospective Payment System (IPPS)-excluded hospital,
- When an IPPS-excluded hospital reclassifies to become another classification of the hospital (Short-term hospital or IPPS-excluded hospital), or
- When a hospital undergoes a Change of Ownership (CHOW) and is combined with another hospital, the new owner already owns.

While this code captures all termination actions, the SA, AO, and MAC must carefully review Part II, block 26 (L30), to determine if the termination is voluntary or involuntary.

CHOW (Code 4 in ASPEN)

The SA selects this code for a CHOW situation. NOTE: AOs are not responsible for CHOW requests. AOs will be copied on CHOWs for deemed providers/suppliers; however, the SA (and CMS Locations where applicable) is responsible for the review and processing of CHOWs.

Sample Validation (Code 5 in ASPEN)

The SA selects this code for a complete survey in an accredited facility for sample validation purposes. The SA completes all appropriate blocks on the form, including items 6 (survey date), 8 (accreditation status), and 10 (compliance provision). AOs would not select this code.

Complaints (Code 6 in ASPEN)

The SA selects this code for an onsite complaint investigation. AOs will follow existing

guidance related to complaints received by the AO and reporting to CMS. AOs would not select this code.

Onsite Visit (Code 7 in ASPEN)

The SA or AO (if applicable) selects this code for an **onsite** inspection of a facility for some other reason **not** outlined above. Examples include:

1. Onsite revisit to verify that the deficiencies cited on the original survey are corrected, and a Form CMS-2567B is completed;
2. Onsite visit to verify that a hospital or CAH meets the criteria for hospitals or CAHs operating with swing-beds or IPPS-excluded units; and
3. Onsite visit to verify that an HHA's branch location meets the branch criteria.
4. Onsite visit based on any administrative changes not listed above (e.g., relocation, extension site, additional services, etc.).

Note: This would include any onsite visits for relocation, adding extensions sites, or any survey activities as needed, if the surveying entity determines an onsite visit prior to recommending approval is needed.

Full Survey After Complaint (Code 8 in ASPEN)

The SA selects this code for when a full survey after a complaint investigation is completed in the complaint system.

Other (Code 9 in ASPEN)

The SA or AO (if applicable) selects this code for any certification action not specified above (e.g., changes in effective date, size, facility name, or address). Whenever this is selected, the SA or AO (if applicable) shows in Remarks, Item 16, and the reason for completing Form CMS-1539.

Item 5 - CHOW Date

When Item 4 is marked CHOW (code 4), the SA will annotate the recommendation of approval effective date of the CHOW in the notes section under Item 16. SAs do not need to complete block L9. CMS issues the final effective date of the CHOW within any approval letters.

Note: This would not be completed by AOs.

Item 6 - Survey Date

For providers who require a life safety code (LSC) survey, the SA or AO (if applicable) enters

the date the health or LSC survey is completed, whichever is later. For providers and suppliers who do not need a LSC survey, the SA or AO (if applicable) enters the date the health survey is completed.

Item 7 - Provider/Supplier Category

The provider/supplier category that is most descriptive of the facility identified on the form is taken in the block provided. The Provider/Supplier Category is not shown on the Certification kit in the application except for Nursing Homes, as its value is taken from the Provider’s type. It does appear on the printed CMS-1539 from ASPEN.

The SA or AO (if applicable) will enter one of the following:

- Hospital/CAH
- SNF/NF/Dual
- SNF/NF/Distinct
- SNF
- HHA
- PRTF
- X-Ray
- OPT/SP
- ESRD
- NF
- ICF/IID
- RHC
- PTIP
- CORF
- ASC
- Hospice
- CMHC
- CLIA

Item 8 - Accreditation Status

The SA does not manually enter accreditation status on this form. It is taken from the information already entered into the deemed tab of the certification kit and populated on the form. For SAs currently using iQIES, the SA will manually populate the entire CMS Form 1539. The AOs (if applicable) will complete this information on the manual form. For ease of reference, the AOs associated programs are also listed within this guidance.

Name of Accrediting Organization	Acronym	Medicare approved programs*
UNACCREDITED	N/A	The provider/supplier is not deemed
American Association for Accreditation of Ambulatory Surgery Facilities	AAAASF	ASC, OPT, RHC

Accreditation Association for Ambulatory Health Care	AAAHC	ASC
Accreditation Commission for Health Care	ACHC	ASC, CAH, ESRD Facilities, HHA, Hospice, Hospital
Community Health Accreditation Partner	CHAP	HHA, Hospice
Center for Improvement and Healthcare Quality	CIHQ	Hospital
DNV Healthcare	DNV	CAH, Hospital, Psychiatric Hospital
National Dialysis Accrediting Commission	NDAC	ESRD
The Compliance Team	TCT	RHC
The Joint Commission	TJC	ASC, CAH, HHA, Hospice, Hospital, Psychiatric Hospital

*Does not include non-certified programs

Item 9 (L35) - Fiscal Year Ending Date

The SA and AO (if applicable) enters the ending date (month and day) of the provider's/supplier's fiscal year, when applicable.

Item 10 - State Agency or Accrediting Organization (AO) Certification

A - In Compliance With Program Requirements

If "A" is entered in the first block and the facility is not in full compliance with the program requirements, all conditional aspects are coded in the blocks following "A." If the facility was in compliance without any deficiencies and/or approved waivers, the SA or AO will annotate that the facility was in compliance at "A" and no additional conditional aspects are required.

B - Not in Compliance With Program Requirements (Termination Development)

If "B" is entered in the first block, the documentation supporting the termination action must accompany Form CMS-1539 and be referenced in Item 16 of Remarks. Item "B" is also selected when an accredited hospital is not in compliance with one or more of the Conditions of Participation (CoPs) surveyed during the sample validation survey or complaint investigation.

Item 11 - LTC Period of Certification

Time Limited Agreements (TLAs) are no longer required for Intermediate Care Facilities/Individuals with Intellectual Disabilities (ICFs/IID). The SA does not need to insert the recommended beginning (FROM) and ending (TO) dates of the TLA.

Item 12 - Total Facility Beds (Complete for Hospitals, SNFs, NFs, and ICF/IIDs)

The SA or AO (if applicable) enters the total number of beds in the facility, including those in non-participating and non-licensed components or areas. **The Number of Beds in the Certified Portion of the Facility Must Not Exceed the Number of Total Beds.**

NOTE: The number of total facility beds and beds in the certified portion of the facility on Form CMS-1539 is restricted to the entire facility or the distinct part identified in Items 1 (CCN) and 7 (Provider Category).

Item 13 - Total Certified Beds (Complete for Hospitals, SNFs, NFs, and ICF/IIDs)

The SA or AO (if applicable) enters the number of beds in Medicare and/or Medicaid certified areas.

Item 14 - SNF, NF, and ICF/IID Certified Bed Breakdown

The total number of beds in the certified portion of the facility recorded in Item 13 must be divided in Item 14 according to type of program.

The SA or AO (if applicable) completes boxes A, B, C, and E (in ASPEN) or boxes on the manual form, as appropriate. **These blocks must equal Item 13 (total beds in the certified portion of the facility for SNF, NFs and ICF/IIDs).**

Item 15- Nonparticipating Emergency Hospitals and NFs (VOIDED- no longer needed)

Item 16 - State Survey or Accrediting Organization Agency Remarks- REQUIRED

The SA or AO (if applicable) uses this space for any required remarks or recommendations for approval or disapproval. If the comments exceed the allotted space, the SA or AO (if applicable) continues on a sheet of paper entitled “Item 16 Continuation for CMS-1539.” **Item 17 - Surveyor Signature**

The surveyor (or survey team leader or staff member responsible for the initial review) signs and dates Form CMS-1539 after ensuring that the certification documents are complete and accurate.

Item 18 - State Agency or Accrediting Organization Approval

The authorized representative of the SA (2nd level reviewer) or AO (if applicable) signs and dates Form CMS-1539 and forwards the certification material to the MAC, when applicable or State Medicaid Agency (SMA), as appropriate. His/her signature constitutes for Medicare the official “certification” that the information being reported is correct according to official State files. In Medicaid-only cases, the SA representative’s signature on this document represents the adjudicative decision of the SA on the qualifications of the institution to participate in the

Medicaid program.

Item 19 - Determination of Eligibility

Enter code 1 or 2 in this block of the SA's findings and certifications. Enter code 1 when the provider/supplier is found eligible to participate in the Medicare and/or Medicaid programs. Also enter code 1 when a denial of payment for new admissions is imposed, continued, or lifted. Enter code 2 when a facility is not eligible to participate.

Item 20 - Compliance with Civil Rights Act (Title VI) (VOIDED- no longer needed)

Item 22 - Original Date of Participation

Complete for initial certifications only. Determine when the facility is eligible to begin participation in Medicare and/or Medicaid. The SA will annotate the recommendation of recommended effective date in the notes section under Item 16. SAs do not need to complete block L24. CMS issues the final effective date of the initial certification within any approval letters. The effective date of participation is established pursuant to [42 CFR 489.13](#) for Medicare and [42 CFR 431.108](#) for Medicaid.

Items 23-25 - ICF/IID Certification Period ("LTC Agreements")

When an ICF/IID is found not to be in compliance with program requirements and a denial of payment for new admissions is imposed, enter the beginning (Item 23) and ending (Item 24) dates of the **current** re-certification survey. In Item 25 (extension date), enter a date **not exceeding** the end of the fifteenth month following the month in which the sanction will be imposed.

Item 26 - Termination Action

If a provider's or supplier's participation in the Medicare/Medicaid program ends, record the reason (see below) in the accompanying block. Also, complete Item 28 (termination date).

1 - Voluntary

Code 1 - Enter when a facility closes or merges.

Code 2 - Enter when a provider or supplier is voluntarily withdrawing because of dissatisfaction with reimbursement.

Code 3 - Enter when a facility is leaving the program because it is at risk of being involuntarily terminated.

Code 4 - Enter when a provider or supplier no longer wishes to participate in the program for some other or unknown reason.

2 - Involuntary

Code 5 - Enter when a facility fails to meet health or safety requirements (Conditions of Participation, Conditions for Coverage, Conditions for Certification, or Nursing Home Requirements).

Code 6 - Select this code when a provider fails to meet the terms of their agreement.

NOTE: If code 5 or 6 is selected, then the National Practitioner Data Bank (NPDB) appeal status box is generated in the national data system. The options to select are:

- 1 – No appeal, termination final
- 2 – Appeal in progress
- 3 – All appeals exhausted, termination final

3 - Other

Code 7 - Select this code when you terminate a currently assigned CCN. Examples include:

- Medicare SNF or dually-participating SNF/NF elects to participate in the Medicaid program only;
- Medicaid NF elects to participate in the Medicare or Medicare and Medicaid programs; and
- An End Stage Renal Disease (ESRD) facility, or Rural Health Clinic (RHC) elects to participate as free-standing instead of hospital-based and vice versa.

In any of the above instances, CMS terminates (or SA related to Medicaid providers/suppliers) the existing CCN (complete Items 26 and 28) and assigns the new CCN.

Item 27 - Intermediate Sanctions (ICF/IID Only)

When an ICF/IID is found not to meet the requirements of §1905(d) of the Act and the decision is made to impose an intermediate sanction rather than terminate participation, complete the pertinent items on Form CMS-1539 as follows:

1 - Suspension of Admissions

Enter the date in Item 27A that payments for new admissions in the ICF/IID will be denied. In addition, mark Item 10 with “B” (not in compliance with program requirements). Mark Item 19 “1” (facility is eligible to participate). In Item 25 (extension date), enter a date **not exceeding** the end of the eleventh month following the month in which the denial of payments will be imposed. This date may not be extended.

2 - Rescind Suspension Date

a - Significant Compliance with Program Requirements

Enter the date the denial of payment is rescinded.

The SA will mark Item 10 “A” (in compliance with program requirements) and Item 19 “1” (eligible to participate). In Item 27B, the CMS Location enters the date the denial of payment is rescinded.

NOTE: Items 23 and 24 can only be completed when Item 10 is marked ‘A’ (in compliance with program requirements).

b -Significant Effort or Progress

Item 27b may also be completed when Item 10 is marked “B” (facility is not in compliance with program requirements) and Item 16 (SA Remarks) is documented to show that effort and progress has been made to correct the deficiencies. Item 25 (ICF/IID extension date) remains unchanged. Mark Item 19 with “1” (facility is eligible to participate).

NOTE: Pursuant to 42 CFR 442.119(a), the denial of payment for new admissions is to be rescinded if the facility has corrected deficiencies or can document it is making good faith efforts to achieve compliance with the conditions of participation. Good faith efforts would not, however, constitute compliance with program requirements. Therefore, it is conceivable that:

- The denial of payments could be rescinded;
- Effort and progress would be documented;
- The SA would certify “not in compliance”; and
- The extension would remain in effect.

If the noncompliance deficiencies are not corrected by the 11th month following the initial month of denial, the ICF/IID’s provider agreement must be terminated pursuant to 42 CFR 442.119.

Item 28 - Termination Date

CMS enters the effective date of the termination action specified in Item 26. The SA may annotate the recommended effective date of termination in the notes section under Item 16. CMS issues the final effective date of the termination within any letters.

Item 29 – MAC ID Number

Enter the five-digit number assigned to the MAC servicing the provider or supplier of health services.

Item 30 – Remarks

Use this block for any remarks that cannot be covered in the structured items above. If comments exceed space allotted in this item, document the additional comments on a sheet of paper entitled: “Item 30, Continuation for Form CMS-1539.”

Item 31 –Receipt of Form CMS-1539

Enter the date that a certification package is received. This would be completed by the MAC, with the exception of the following facilities:

- Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID),
- Psychiatric Residential Treatment Facilities (PRTFs),
- Nursing Facilities (NFs).
- Critical Access Hospitals (CAHs),
- Religious nonmedical health care institutions (RNHCIs),
- Organ Procurement Organizations (OPOs),
- Rural health clinics (RHCs), or,
- Special Purpose Renal Disease Facilities (SPRDF).

For these providers and suppliers, CMS Locations will sign Item 31. Additionally, the CMS Locations will continue to act as the SA for U.S. Territories (American Samoa; the Commonwealth of the Northern Marianas Islands; Guam and the U.S. Virgin Islands); therefore, the CMS Location completes Form CMS-1539.

Item 32 - Determination Approval Date

CMS issues the final determination date.