

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



News Flash – A new Educational Web Guide is now available from The Medicare Learning Network®. The “Suite of Products and Resources for Inpatient Hospitals” Web Guide provides Medicare Part-A providers with an understanding of the various Prospective Payment System (PPS) rates and classification criterion for reimbursement to acute inpatient hospitals, Home Health Agencies (HHAs), hospices, hospital outpatient facilities, inpatient psychiatric facilities, inpatient rehabilitation facilities, long-term care hospitals, and Skilled Nursing Facilities (SNFs). It also provides Part-A business office management professionals with accurate, timely, and easy-to-understand billing and coding products as well as information to help understand and streamline claims submissions. This product is suggested for all Part-A Medicare Fee-For-Service inpatient hospital providers and is available in downloadable format at http://www.cms.gov/MLNEdWebGuide/45_MLN_Suite_of_Products_and_Resources_for_Inpatient_Hospitals.asp on the Centers for Medicare & Medicaid Services (CMS) website.

MLN Matters® Number: MM7339

Related Change Request (CR) #: 7339

Related CR Release Date: March 25, 2011

Effective Date: June 28, 2011

Related CR Transmittal #: 2183CP

Implementation Date: June 28, 2011

SUBJECT: Manual Clarifications for Skilled Nursing Facility (SNF) Part A Billing

Provider Types Affected

SNFs, which submit claims to Fiscal Intermediaries (FIs) and Part A/B Medicare Administrative Contractors (A/B MACs), are affected by this article. This article contains no policy changes.

Provider Action Needed

This article is based on Change Request (CR) 7339, which provides various clarifications for SNF Part A billing. Please be sure to inform your staffs of these clarifications.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article 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.

Background

The Centers for Medicare & Medicaid (CMS) is including the following clarifications (in italics) to the "Medicare Claims Processing Manual", Chapter 6, SNF Inpatient Part A Billing.

Billing SNF Prospective Payment Services (PPS)

When applicable, SNFs must submit occurrence code 16, date of last therapy, to indicate the last day of therapy services (e.g. physical therapy, occupational, and speech language pathology) for the beneficiary.

Coding PPS Bills for Ancillary Services

For therapy services (revenue codes 042x, 043x, and 044x), units represent the number of sessions of therapy provided. For example, if the beneficiary received therapy for a total of 52 minutes (25 minutes concurrently and 27 minutes individually) in one session the units billed would be 1.

Reprocessing inpatient bills in sequence

When a beneficiary experiences multiple admissions (to the same or a different facility) during a benefit period, claims are processed by CWF in the same order that they are received, regardless of the dates on which expenses were incurred. This first-in-first-out (FI/FO) method of processing requests for payment facilitates prompt handling of claims.

If a SNF, any beneficiary, or secondary insurer have increased liability as a result of CWF's FI/FO processing, the SNF must notify the FI or A/B MAC to arrange reprocessing of all affected claims. This approach is not applicable if the liability stays the same, e.g., if the coinsurance or deductible amounts are applied on the second stay instead of the first, but there is no issue with regard to the effective date of supplementary coverage or if the beneficiary is responsible for payment of the first claim instead of the second.

The FI or A/B MAC will verify and cancel any bills posted out-of-sequence and request that any other FI or MAC involved also cancel any affected bills. The FI or MAC will reprocess all bills in the benefit period in the sequence of the beneficiary's stays to properly allocate days where payment is made in full by Medicare and to identify those days where the beneficiary is required to pay coinsurance.

Additional leave of absence guidance

Leave of absence (LOA) days are shown on the bill with revenue code 018X and LOA days as units. However, charges for LOA days are shown as zero on the bill, and the SNF cannot bill the beneficiary for them except as specified in Chapter 1 of the

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article 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.

Medicare Claims Processing Manual at Section 30.1.1.1. Occurrence span code 74 is used to report the LOA from and through dates.

Clarification of technical component

Billing Related to Physician's Services: The technical component (*e.g. the component representing the performance of the diagnostic procedure itself*) of physician services delivered to SNF inpatients are bundled into the Part A PPS payment and not paid separately.

Additional Information

The official instruction, CR 7339 issued to your FI or A/B MAC regarding this change may be viewed at <http://www.cms.gov/transmittals/downloads/R2183CP.pdf> on the CMS website.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at <http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

News Flash - Vaccination is the Best Protection Against the Flu. This year, the Centers for Disease Control and Prevention (CDC) is encouraging everyone 6 months of age and older to get vaccinated against the seasonal flu. The risks for complications, hospitalizations and deaths from the flu are higher among individuals aged 65 years and older. Medicare pays for the seasonal flu vaccine and its administration for seniors and others with Medicare with no co-pay or deductible. And remember, vaccination is particularly important for health care workers, who may spread the flu to high risk patients. Don't forget to immunize yourself and your staff. Protect your patients. Protect your family. Protect yourself. Get Your Flu Vaccine - Not the Flu. **Remember** – Influenza vaccine plus its administration are covered Part B benefits. Note that influenza vaccine is NOT a Part D covered drug. For information about Medicare's coverage of the influenza vaccine and its administration, as well as related educational resources for health care professionals and their staff, please visit <http://www.cms.gov/AdultImmunizations> on the CMS website.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article 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.