TOOLS OF THE TRADE

In order for the SNF to be successful in applying the PPS regulations to clinical assessment and Medicare billing, they must assume the responsibility of using the print material made available from the Intermediary. We are required by HCFA to keep a record of all facilities attending conferences and receiving educational assistance. When claims are continually billed incorrectly and are returned to provider (RTP) for corrections, the FI may suspect the SNF of engaging in abusive billing practices. The SNF may then be found in violation of its participating agreement with Medicare for repeated billing errors. In the future regulations may require us to DENY claims that are billed incorrectly. Each denial would then result in non-payment of the claim. Payment would be made only if the decision was appealed. Appeals are costly to both the SNF and the Intermediary. The SNF can help itself by using all available reference material in its daily operations.

Included with this conference book is an addendum of the references you should be applying in making Medicare decisions.

Reference Material

- **MDS Calendar**
- **MDS Schedule**
- **RUG III Groups**
- **Coverage Comparison Chart**
- **MSN/ANSI Listing**
- **Updated Modifier Chart**
- **SNF PPS MR Decision Trees**

MDS Calendar

MDS Calendar

Type Name and Hic in Blue Boxes

Name: Barbara Griffin
HIC #: 123456789A

ARD Schedule

Days	Type First Day of Medicare Covered Care in Yellow Box (Format 01/01/00)						
5 Day	1-14						
	1/23/01	01/24/01	01/25/01	01/26/01	01/27/01	01/28/01	01/29/01
		9	10				
	01/30/01	01/31/01	02/01/01	02/02/01	02/03/01	02/04/01	02/05/01
14 Day	15-30					20	
	02/06/01	02/07/01	02/08/01	02/09/01	02/10/01	02/11/01	02/12/01
	02/13/01	02/14/01	02/15/01	02/16/01	02/17/01	02/18/01	02/19/01
	02/20/01	02/21/01					
30 Day	31-60				35	36	37
	02/22/01	02/23/01	02/24/01	02/25/01	02/26/01	02/27/01	02/28/01
	38	39	40	41	42	43	44
	03/01/01	03/02/01	03/03/01	03/04/01	03/05/01	03/06/01	03/07/01
	45	46	47	48	49		
	03/08/01	03/09/01	03/10/01	03/11/01	03/12/01	03/13/01	03/14/01
	03/15/01	03/16/01	03/17/01	03/18/01	03/19/01	03/20/01	03/21/01
	03/22/01	03/23/01					
60 Day	61-90				65	66	67
	03/24/01	03/25/01	03/26/01	03/27/01	03/28/01	03/29/01	03/30/01
	68	69	70	71	72	73	74
	03/31/01	04/01/01	04/02/01	04/03/01	04/04/01	04/05/01	04/06/01
	75	76	77	78	79		
	04/07/01	04/08/01	04/09/01	04/10/01	04/11/01	04/12/01	04/13/01
	04/14/01	04/15/01	04/16/01	04/17/01	04/18/01	04/19/01	04/20/01
	04/21/01	04/22/01					
90 Day	91-100	92	93	94	95	96	97
	04/23/01	04/24/01	04/25/01	04/26/01	04/27/01	04/28/01	04/29/01
	98	99	100				
	04/30/01	05/01/01	05/02/01				

INSTRUCTIONS for MEDICARE MDS CALENDAR

1-ADMISSION- DAY 1 (YELLOW Highlighted Field)

--- **Key the admission date** using slashes (ex:01/01/00) and a100 day Medicare stay will be displayed.

2- SETTING THE ASSESSMENT REFERENCE DATE (ARD)

--- ***SHADED AREAS*** are the *days allowed* to set the Assessment Reference Date for each required Medicare Assessment.

--- ***CLEAR OR UNSHADED AREAS*** are indicative of the *days that fall outside the allowable window* for setting an ARD. ***If the ARD is set on a clear day the default code must be used for all days of the payment block until an ARD is set.***

4-MODIFIERS FOR OMRAs and SCSAs

A. Extra Assessments *(outside window*)

--- ARD is set on UNSHADED/CLEAR day.
--- Billing code (HIPPS) changes as of this day and is valid until the next regular assessment.
--- ***OMRA* ARD *on UNSHADED/CLEAR day*** is an extra assessment and uses **MODIFIER 08**
--- ***SCSA ARD on an UNSHADED/CLEAR day*** is an extra assessment and uses **MODIFIER 30**

B. Replacement Assessment *(within window)*

--- ARD is set on a SHADED Day
--- Billing Code (HIPPS) changes as of this date and is valid until the following assessment

Note: Each time a beneficiary is admitted to an inpatient stay at a hospital and returns the ASSESSMENT SCHEDULE
STARTS OVER.

--- ***Re key the new ad mission date to begin new billing schedule.*** If Beneficiary is in the SAME Spell of Illness, the beneficiary DOES NOT GET A NEW 100 DAYS. You must calculate the balance of current days available.
--- Re-Admissions- Remember to deduct days used on the previous claims and do not bill beyond the benefits exhaust date.

MEDICARE ASSESSMENT SCHEDULE

DAY 1= Admission or Re-Admission

Medicare Assessment Schedule	Assessment Reference Date	Reason For Assessment #*AA8b* *MDS 2.0 Users Guide*	Applicable Medicare Payment Days
DAY 5 Comprehensive* ***May be completed OR at day 14***	Days 1-5	1 Medicare 5-Day Assessment	1-14
DAY 14 Comprehensive	Days 11-14	7 Medicare 14 Day	15-30
DAY 30 Full	Days 21-29	2 Medicare 30 Day	31-60
DAY 60 Full	Days 50-59	3 Medicare 60 Day	61-90
DAY 90 Full	Days 80-89	4 Medicare 90 Day	91-100

***If a resident expires or transfers to another facility before day 8 an MDS is prepared as completely as possible allowing for RUG classification and Medicare payment purposes.**

* Full Assessment = Entire MDS
* Comprehensive Assessment = MDS + RAPs

MDS 2.0 RUG III CODES

CATEGORY	ADL INDEX	END SPLITS	MDS RUG III CODES
REHABILITATION			
ULTRA HIGH **Rx 720 minutes** a week minimum At least 2 disciplines, 1st -5 days, 2nd - at least 3 days	16-18 9-15 4-8	NOT USED NOT USED NOT USED	RUC RUB RUA
VERY HIGH **Rx 500 minutes** a week minimum At least 1 discipline - 5 days	16-18 9-15 4-8	NOT USED NOT USED NOT USED	RVC RVB RVA
HIGH **Rx 325 minutes** a week minimum 1 discipline 5 days a week	13-18 8-12 4-7	NOT USED NOT USED NOT USED	RHC RHB RHA
MEDIUM **Rx 150 minutes** a week minimum 5 days across 1, 2 or 3 disciplines	15-18 8-14 4-7	NOT USED NOT USED NOT USED	RMC RMB RMA
LOW Nrsg. Rehab 6 days in at least 2 activities and Rehabilitation therapy Rx 3 days/ 45 minutes a week minimum	14-18 4-13	NOT USED NOT USED	RLB RLA
EXTENSIVE SERVICES - (if ADL <7 classifies to Special Care) **IV feeding** in the past 7 days (K5a) **IV medications** in the past 14 days (P1ac) **Suctioning** in the past 14 days (P1ai) **Tracheostomy care** in the last 14 days (P1aj) **Ventilator/respirator** in the last 14 days (P1al)	 7-18 7-18 7-18	new grouping: count of other categories code into plus IV Meds + Feed	 SE3 SE2 SE1
SPECIAL CARE -- (if ADL <7 classifies to Clinically Complex) **Multiple Sclerosis** (I1w) and an ADL score of 10 or higher **Quadriplegia** (Ilz) and an ADL score of 10 or higher **Cerebral Palsy** (Ils) and an ADL score of 10 or higher **Respiratory therapy** (P1bdA must = 7 days) **Ulcers**, pressure or stasis; 2 or more of any stage (M1a,b,c,d) and treatment (M5a, b,c,d,e,g,h) **Ulcers,** pressure; any stage 3 or 4 (M2a) and treatment (M5a,b,c,d,e,g,h) **Radiation therapy** (P1ah) **Surgical, Wounds** (M4g) and treatment (M5f,g,h) **Open Lesions** (M4c) and treatment (M5f,g,h) **Tube Fed** (K5b**) and Aphasia** (I1r) and feeding accounts for at least 51 percent of daily calories (K6a=3 or4) OR at least 26 percent of daily calories and 501cc daily intake (K6b=2,3,4 or 5) **Fever (J1h) with Dehydration** (J1c), **Pneumonia** (Ie2**),Vomiting** (J1o) or **Weight loss** (K 3a) **Fever (J1h) with Tube Feeding** (K5b) and, as above, (K6a=3 or 4) and/or (K6b = 2,3,4,or 5)	 17-18 15-16 7-14	 NOT USED NOT USED NOT USED	 SSC SSB SSA
CLINICALLY COMPLEX -- **Burns** (M4b) **Coma** (B1) and Not awake (N1 = d) and completely ADL dependent (G1aa, G1ba, G1ha, G1ia = 4 or 8) **Septicemia** (I2g) **Pneumonia** (I2e) **Foot / Wounds** (M6b,c**) and treatment** (M6f) **Internal Bleed** (J1j) **Dialysis** (P1ab) Tube Fed (K5b) and feeding accounts for: at least 51% of daily calories (K6a = 3 or 4) OR 26% of daily calories and 501cc daily intake (K6b = 2, 3, 4 or 5) **Dehydration** (J1c) **Oxygen therapy** (P1ag) **Transfusions** (P1ak) **Hemiplegia** (I1v) and an ADL score or 10 or higher **Chemotherapy** (P1aa) **Physician Visits and order changes** (No. Of Days in last 14 that they occured visits >=1 days and order changes >=4 days; or visits >=2 days and order changes on >=2 days **Diabetes mellitus** (I1a) and injections on 7 days (O3 >= 7) and order changes >=2 days (P8 >= 2)	 17-18D 17-18 12-16D 12-16 4-11D 4-11		 CC2 CC1 CB2 CB1 CA2 CA1

CATEGORY	ADL INDEX	END SPLITS	MDS RUG III CODES
IMPAIRED COGNITION Score on MDS2.0 Cognitive Performance Scale >= 3	6-10 6-10 4-5 4-5	Nursing Rehabilitation* not receiving Nursing Rehabilitation not receiving	IB2 IB1 IA2 IA1
BEHAVIOR ONLY Coded on MDS 2.0 items: 4+ days a week - wandering, physical or verbal abuse, inappropriate behavior or resists care; or hallucinations, or delusions checked	6-10 6-10 4-5 4-5	Nursing Rehabilitation* not receiving Nursing Rehabilitation not receiving	BB2 BB1 BA2 BA1
PHYSICAL FUNCTION REDUCED No clinical conditions used	16-18 16-18 11-15 11-15 9-10 9-10 6-8 6-8 4-5 4-5	Nursing Rehabilitation* not receiving Nursing Rehabilitation not receiving Nursing Rehabilitation not receiving Nursing Rehabilitation not receiving	PE2 PE1 PD2 PD1 PC2 PC1 PB2 PB1 PA2 PA1
			Default

*To qualify as receiving Nursing Rehabilitation, the rehabilitation must be in at least 2 activities, at least 6 days a week. As defined in the Long Term Care RAI Users Manual, Version 2 activities include: Passive or Active ROM, amputation care, splint or brace assistance and care, training in dressing or grooming, eating or swallowing, transfer, bed mobility or walking, communication, scheduled toileting program or bladder retraining

COMPARISON & RATIONALE FOR ELIGIBILITY AND COVERAGE CHANGES

TECHNICAL ELIGIBILITY

PRIOR TO 7/1/98	IFR 7/1/98-9/30/99	FR 10/1/99 & after
3 Day Qualifying Stay	----------→	----------→
Transferred Within 30 Days Of Hospital Stay Of 3 Consecutive days	----------→	----------→
Physician Certification Need Skilled Care (*Admission/by Day 14& q30 days thereafter*)	Physician, Nurse Practitioner or Clinical Nurse Specialist ***may initially*** Certify to the Need for Skilled Care ***or*** Correctness of the RUG III ***Re-certifications*** are for the ongoing need skilled services ----------→	----------→
Medical Predictability(Continuation Rx is inappropriate from a Medical perspective)	----------→	----------→
Treated for a condition which was treated during qualifying hospital stay ***or***....which arose while in a SNF for a treatment of condition for which the beneficiary previously was treated in a hospital	----------→	----------→

COVERAGE ELIGIBILITY

Prior to 7/1/98	**IFR 7/198 – 9/30/99**	**FR 10/1/99 & After**
SKILLED NURSING OR SKILLED REHABILITATION ON A DAILY BASIS		
PERFORMED BY OR UNDER DIRECT MDSUPERVISION		
MANAGEMENT EVALUATION PLAN OF CARE	ELIMINATED	RE-INSTATED
OBSERVATION AND ASSESSMENT PLAN OF CARE	ELIMINATED	RE-INSTATED
TEACHING AND TRAINING ACTIVITIES *To teach self maintenance; Examples:* • Self Injection • Newly Diagnosed Diabetic Insulin INJ/Diet/Observation Foot Care Precautions • Gait Training & Prosthesis Care • Recent colostomy/ileostomy care • Self Catherization & Self GT feedings Care & Maintenance CVP's/Hickman Catheters • Care of Braces, Splints, Orthotics Associated Skin Care • Specialized dressings or skin treatment	TO BE RE-DEFINED	Requires Skills of a Technical/Professional For the teaching of a Self maintenance program

Prior to 7/1/98	IFR 7/1/98 – 9/30/99	FR 10/1/99 & After
DIRECT SKILLED SERVICES		
• IV, IM, SC Injections	MODIFIED TO : IV, IM Injections ELIMINATED: SC	IV , IM Injections
• Hypodermoclycis, IV feedings	M ODIFIED: IV Feedings EL IMINATE: Hypodermoclysis	IV Feedings
• NG tube, Gastrostomy, Jejunostomy	**MODIFIED TO: Feedings 26% of QD calories & Minimum of 501 ml fluid per day**	Feedings 26% of QD calories & Minimum of 501 ml fluid per day
• Naso-Pharyngeal Tracheotomy aspiration		
• Insertion, sterile irrigation, replacement catheters/care of suprapubic catheter and insertion /care of catheter adjunct to active rx of a disease		MODIFIED to Suprapubic Catheters Only
• Application of Dressings with Prescription Meds and Aseptic Techniques		
• Treatment decubitus ulcers. Severity grade 3 or worse or wide spread skin disorder		
• Heat RX's ordered by MD requiring skilled observation		
• Rehabilitation Nursing procedures includes related teaching adaptive aspects of nursing & part of active treatment necessitating skilled nursing e.g., institution bowel and bladder training programs		
• Initial regimen involving administration medical gases such as bronchodilator therapy		
• Care of a colostomy /early post-op phase with associated complications		

SKILLED REHABILITATION

Prior to 7/1/98	IFR 7/1/98 – 9/30/99	FR 10/1/99 & After
SKILLED PHYSICAL THERAPY • Directly related written plan of treatment • Requires knowledge/skills/ judgment of qualified professional • Services must be considered under acceptable standards clinical practice • Expectation of improvement of restorative potential in a reasonable & predictable period of time.....or.... • Establishment of a safe and effective maintenance program **Applications** • Hot Packs Hydrocollator infra red, Paraffin Baths Only in presence complicating condition e.g., open wounds • Gait Training • Ultrasound, Short-wave, Diathermy • ROM Tests • Therapeutic exercises	*Skilled Rehabilitation Services are captured within the RUG III Rehabilitation groups*	
SKILLED OCCUPATIONAL THERAPY • Ordered by a Physician Improve or Restore Function **Applications** • Eval/ Re-Eval of Function • Teaching task oriented therapeutic activities • Plan/ Implement/Supervise individualized therapeutic activities & sensory integration functions • Testing of compensatory techniques • Design/fabrication and fitting orthotic or self help devices • Vocational Pre-vocational	*Skilled Rehabilitation Services are captured within the RUG III Rehabilitation groups*	

S**PEECH THERAPY** • Directly related written plan of treatment • Requires knowledge/skills/ judgment of qualified professional • Services must be considered under acceptable standards clinical practice • Expectation of improvement restorative potential in a reasonable & predictable period of time or establishment of a safe and effective maintenance program • Services necessary for diagnosis and treatment speech and language disorders **Applications** • Restoration therapy • Establishment Maintenance Program • Diagnostic & Evaluation services • Therapeutic Services • Services treatment dysphagia	*Skilled Rehabilitation Services are captured within the RUG III Rehabilitation groups*	

MEDICARE SUMMARY NOTICES (MSN)

The following chart represents the Beneficiary's message on the MSN, and the applicable provider ANSI Reason Code on the Remittance Advice

Insufficient Information Denial	**MSN 9.2** "The item/service was denied because information required to make payment was missing"	**ANSI B12** "Claim denied charges" and "Services not documented in patient's medical records"
Partial Payment at Reduced Rate(Matrix)	**MSN 15.8** "The information provided does not support the level of service as shown on the claim."	**ANSI 57** " Claim denied charges" and "the claim/service denied/reduced because the payor deems the information submitted does not support this level of service/this many services/this length of service or this dosage."
Full Denial as Not Medically Reasonable and Necessary	**MSN 13.3 or 13.4** "Information provided does not support the need for skilled nursing facility care" or "Information provided does not support the need for continued care in a skilled nursing facility."	**ANSI 50** "Claim charges denied" and "These are non-covered services because this is not deemed a medical necessity by the payor."
Demand Bill Agrees With Provider's Determination of Non-coverage	**MSN 16.42** "The provider's determination of non-coverage is correct."	**ANSI 50** "These are non-covered services because this is not deemed a medical necessity by the payor."
Agree With Non-coverage But the Provider Failed to Issue Proper or Timely Notice	**MSN 36.2** "It appears that you did not know that we would not pay for this service, so you are not liable. Do not pay your provider for this service. If you have paid your provider for this service, you should submit to this office three things: a copy of this notice, your provider's bill, a receipt or proof that you have paid the bill."	**ANSI 116** "Claim/service denied. The advance indemnification notice signed by the patient did not comply with requirements."
Improper Placement in a Non-Certified Bed	**MSN 13.7** "Normally, care is not covered when provided in a bed that is not certified by Medicare. However, since you received covered care, we have decided that you will not have to pay the facility for anything more than Medicare coinsurance and non-covered items."	**ANSI 116** "Claim /service denied. The advance indemnification notice signed by the patient did not comply with requirements**."**
Billing Error	**MSN 9.4** "This item or service was denied because information required to make payment was incorrect."	**ANSI A1** "Claim Denied Charges"

MDS MODIFIERS AND MDS PAYMENT SCHEDULE

Modifier	Type of Assessment	ARD Days	Grace Days	Payment Days
5 Day Assessments				
01	5 day PPS/**not** initial Adm. Assessmnt	1-5	6-8	1-14
05	Readmit/Return PPS	1-5	6-8	1-14
11	5 day/Readmit PPS & Initial Assessmnt	1-5	6-8	1-14
31	Replaces 5 day PPS (SCSA)	1-5	6-8	***
35	Replaces Readmit/Return PPS (SCSA)	1-5	6-8	***
41	Replaces 5 day (SCPA)	1-5	6-8	***
45	Replaces Readmit/Return PPS (SCPA)	1-5	6-8	***
14 Day Assessments				
07	14 day PPS/**not** initial admission	11-14	15-19	15-30
17	14 day PPS **and** Initial Admit Assessmnt	11-14	N/A	15-30
37	Replaces 14 day (SCSA)	11-14	15-19	***
47	Replaces 14 day PPS (SCPA)	11-14	15-19	***
30 Day Assessment				
02	30 day PPS	21-29	30-34	31-60
32	Re[;aces 30 day PPS (SCSA)	21-29	30-34	***
42	Replaces 30 day PPS (SCPA)	21-29	30-34	***
60 Day Assessment				
03	60 day PPS	50-59	60-64	61-90
33	Replaces 60 day PPS (SCSA)	50-59	60-64	***
43	Replaces 60 day PPS (SCPA)	50-59	60-64	***
90 Day Assessment				
04	90 day PPS	80-89	90-92	91-100
34	Replaces 90 day PPS (SCSA)	80-89	90-92	***
44	Replaces 90 day PPS (SCPA)	80-89	90-92	***
54	90 day PPS that is also state quarterly	80-89	90-92	91-100

MDS MODIFIER & PAYMENT SCHEDULE CONTINUED

Other Medicare Required Assessment (OMRA)

		ARD	Grace Days	Pay Days
08	OMRA not replacing	**	N/A	**
18	OMRA replacing 5 day	1-5	6-8	**
78	OMRA replacing 14 day	11-14	15-19	**
28	OMRA replacing 30 day	21-29	30-34	**
38	OMRA replacing 60 day	50-59	60-64	**
48	OMRA replacing 90 day	80-89	90-94	**

Note: There is **no** "grace day" period for doing an OMRA. However, if the ARD falls within the time frame of a regular assessment (*including the grace day period*) it becomes an OMRA **replacing** a regular assessment.

OFF Cycle Assessments:

30	Significant Change (outside PPS regular assessment window)	***	N/A	***
40	Significant Correction of a prior assessment (outside PPS regular assessment window)	*****	N/A	***
00	Default modifier			

Definition of Terms:

ARD = Assessment Reference Date

OMRA = Other Required Assessment

SCSA = Significant Change in Status Assessment

SCPA =Significant Correction of Prior Assessment