
CMS Manual System

Pub. 100-04 Medicare Claims Processing

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal 200

Date: JUNE 10, 2004

CHANGE REQUEST 3277

I. SUMMARY OF CHANGES: Update to the Common Working File Edits for Skilled Nursing Facility (SNF) Consolidated Billing (CB) to Expand the Bypass for Pharmacy Services and removing §20.1.2.7 that duplicates §20.1.2.1.

NEW/REVISED MATERIAL - EFFECTIVE DATE: For dates of service on or after April 1, 2001 billed within the timely filing period

***IMPLEMENTATION DATE:** October 4, 2004

Disclaimer for manual changes only: The revision date and transmittal number apply to the red italicized material only. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual not updated.)
(R = REVISED, N = NEW, D = DELETED) – (Only One Per Row.)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	6/Table of Contents
R	6/20.1.2/Other Excluded Services Beyond the Scope of a SNF Part A Benefit
R	6/20.1.2.1/ Emergency Services
D	6/20.1.2.7/ Emergency Services

***III. FUNDING:**

These instructions shall be implemented within your current operating budget.

IV. ATTACHMENTS:

X	Business Requirements
X	Manual Instruction
	Confidential Requirements
	One-Time Notification
	Recurring Update Notification

***Medicare contractors only**

Attachment - Business Requirements

Pub. 100-04	Transmittal: 200	Date: June 10, 2004	Change Request 3277
-------------	------------------	---------------------	---------------------

SUBJECT: Update to the Common Working File Edits for Skilled Nursing Facility (SNF) Consolidated Billing (CB) to Expand the Bypass for Pharmacy Services.

I. GENERAL INFORMATION

A. Background: The Skilled Nursing Facility Consolidated Billing Rule excludes emergency room services, most surgical procedures and services related to those exclusions. Currently, the CWF is bypassing the consolidated billing edit on revenue code 0250 when billed with a line item date of service matching the date of the emergency room service or surgery. Other pharmacy revenue codes are not being bypassed causing excluded services to be subject to the Skilled Nursing Facility Consolidated Billing Rule in error. In addition, some pharmacy charges billed under revenue code 0250 are also being rejected because the revenue code does not require a line item date of service.

B. Policy: All pharmacy charges are excluded from the Skilled Nursing Facility Consolidated Billing (SNF CB) when related to and billed with an excluded surgery or emergency room visit. The SNF CB is required under Section 1888 (e)(2) of the Social Security Act.

C. Provider Education: A Medlearn Matters provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week from the date of the medlearn matters listserv message announcing the article's availability. In addition, the provider education article must be included in your next regularly scheduled bulletin.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement #	Requirements	Responsibility
3277.1	CWF shall allow pharmacy revenue codes 025x to bypass SNF CB edit(s) when billed with an excluded surgery and the line item date of service (LIDOS) for the revenue codes 025x matches the LIDOS for the excluded surgery or the LIDOS is not present on the 025x.	CWF
3277.2	CWF shall allow pharmacy revenue codes 025x to bypass SNF CB edit(s) when billed with an	CWF

	emergency room service (revenue code 045x) and the line item date of service (LIDOS) for the revenue codes 25x matches the LIDOS for the emergency room service (revenue code 045x) or the LIDOS is not present on the 025x.	
--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--

III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions:

X-Ref Requirement #	Instructions
N/A	

B. Design Considerations:

X-Ref Requirement #	Recommendation for Medicare System Requirements
N/A	

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

IV. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date: For dates of service on or after April 1, 2001 billed within the timely filing period and received on or after October 4, 2004.</p> <p>Implementation Date: October 4, 2004.</p> <p>Pre-Implementation Contact(s): Wendy Tucker CMS CO 410-786-3004, Wtucker2@cms.hhs.gov or Elizabeth Carmody CMS CO 410-786-7533, Ecarmody@cms.hhs.gov.</p> <p>Post-Implementation Contact(s): Appropriate RO.</p>	<p>These instructions shall be implemented within your current operating budget.</p>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------

Medicare Claims Processing Manual

Chapter 6 - SNF Inpatient Part A Billing

Table of Contents

(Rev. 200, 06-10-04)

20.1.2.1 Emergency Services

20.1.2 - Other Excluded Services Beyond the Scope of a SNF Part A Benefit

(Rev. 200, 06-10-04)

SNF-516.3

The following services are not included in Part A PPS payment when furnished in a Medicare participating hospital or CAH and may be paid to the provider rendering them. This exception does not apply if the service is furnished in an ambulatory surgical center (ASC) or other independent (non-hospital) facility. In transmittals for FI billing providing the annual update list of HCPCS codes affected by SNF consolidated billing, such services are referred to as “Major Category I” of SNF consolidated billing editing. Note that of the types of services listed, only ambulatory surgeries are listed as inclusions, rather than exclusions, to consolidated billing.

- Certain cardiac catheterizations;
- Certain computerized axial tomography (CT) scans;
- Certain magnetic resonance imaging (MRIs);
- Certain ambulatory surgeries involving the use of a hospital operating room; For Part A inpatients, the professional portion of these services is billed by the rendering practitioner to the carrier. Any hospital outpatient charges are billed to the FI.
- Certain radiation therapies;
- Certain angiographies, and lymphatic and venous procedures;

- Emergency services;
- Ambulance services when related to an excluded service within this list;
and
- Ambulance transportation related to dialysis services.

These relatively costly services are beyond the general scope of care in SNFs. Even though it may be medically appropriate for a beneficiary to be cared for in a SNF while receiving radiation therapy, the SNF is not responsible for paying for excluded radiation therapy itself when the beneficiary receives it as a hospital outpatient. Similarly, angiography codes and codes for some lymphatic and venous procedures are considered beyond the general scope of services delivered by SNFs. The hospital or CAH must bill the FI for the services. Excluded services provided to Medicare beneficiaries in swing beds subject to SNF PPS are to be billed on TOB 13x.

Services directly related to these services, defined as services billed for the same place of service and with the same line item date of service as the services listed below, are also excluded from SNF CB, with exceptions as listed below.

- Note that anesthesia, drugs incident to radiology and supplies (revenue codes 037x, 0255, 027x and 062x) will be bypassed by enforcement edits when billed with CT Scans, Cardiac Catheterizations, MRIs, Radiation Therapies, or Angiographies or surgeries.
- In general, bypasses also allow CT Scans, Cardiac Catheterization, MRI, Radiation Therapy, Angiography, and Outpatient Surgery HCPCS codes 0001T – 0021T, 0024T – 0026T, or 10021 - 69990 (except HCPCS codes listed in the table below) to process and pay. This includes all other revenue code lines on the incoming claim that have the same line item date of service (LIDOS).

Outpatient Surgery and Related Procedures– INCLUSION

Inclusions, rather than exclusions, are given in this one case, because of the great number of surgical procedures that are excluded and can only be safely performed in a hospital operating room setting. It is easier to automate edits around the much shorter list of inclusions under this category, representing minor procedures that can be performed in the SNF itself. Additionally, this was the approach originally taken in the regulation to present this information.

- Note that anesthesia, drugs, supplies and lab services (revenues codes 037x, 025x, 027x, 062x and 030x) will be bypassed by enforcement edits when billed with outpatient surgeries excluded from SNF CB. *The bypass is implemented for these services when the line item date of service matches the line item date of service for the excluded surgery. For revenue codes not requiring a line item date of service (i.e., pharmacy and supplies), the bypass will be implemented when no line item date of service is present.*

See §10.1 above for the link to where transmittals providing current lists of HCPCS codes used for Major Category I SNF consolidated billing editing can be found.

20.1.2.1 - Emergency Services

(Rev. 200, 06-10-04)

SNF-516.3

These services are identified on claims submitted to FIs by a hospital or CAH using revenue code 045x (Emergency Room - "x" represents a varying third digit). Related services are also excluded. These are defined as those services having the same line item date of services (LIDOS) as the emergency room visit. Note that in order to get a match on the LIDOS there must be a LIDOS and HCPCS in revenue code 045x. *Revenue codes for related services that do not require a LIDOS (i.e., pharmacy and supplies) will be bypassed when a LIDOS is not present.*