
CMS Manual System

Pub. 100-04 Medicare Claims Processing

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

Transmittal 185

Date: MAY 28, 2004

CHANGE REQUEST 3212

I. SUMMARY OF CHANGES: This transmittal notifies the carriers of additional HCPCS codes for drugs and CPT codes for electrocardiogram testing to be added to Common Working File Skilled Nursing Facility Consolidated Billing bypass for Part B ambulance service claims billed to the carrier. The transmittal also provides instructions for processing claims for these services when billed separately to the carrier.

NEW/REVISED MATERIAL - EFFECTIVE DATE: October 1, 2004

***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

(R = REVISED, N = NEW, D = DELETED) – (Only One Per Row.)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	15/30.2.3/SNF Billing

***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

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SUBJECT: Change to the Common Working File (CWF) Skilled Nursing Facility (SNF) Consolidated Billing (CB) Edits for Drugs and Electrocardiogram (EKG) Testing Provided During an Ambulance Transport

I. GENERAL INFORMATION

A. Background:

Effective April 1, 2002, CWF edits were implemented to identify HCPCS codes for ambulance services that are either subject to or excluded from Skilled Nursing Facility (SNF) consolidated billing (CB). This coding change added SNF CB edits to CWF to deny payment of some separately billed ambulance services for beneficiaries in a SNF Part A covered stay. Effective July 1, 2003, CWF added an edit to allow claims submitted with specialty type "59" and HCPCS codes J7030 or J7050 (Saline Solution Injection) to process and pay correctly for modifiers other than "NN" when a beneficiary is in a Part A stay, and for claims submitted with an "NN" modifier when the beneficiary is not in a Part A stay. Since the implementation of this update, CMS has identified additional HCPCS codes for drugs and CPT codes for electrocardiogram (EKG) testing that may be separately payable when provided during a SNF ambulance transport that is not subject to SNF CB. HCPCS J-codes (J0000-J9999) not included in previous updates, Q-codes for anti-emetic drugs (Q0163 through Q0181), and CPT codes for EKG testing (93005 and 93041) will be added to the CWF SNF CB bypass for ambulance specialty type "59" carrier claims during the October 2004 SNF CB quarterly update.

B. Policy:

When not subject to SNF CB, claims for drugs and EKG testing provided during an ambulance transport to or from a SNF are separately payable through the end of the Ambulance Fee Schedule (AFS) transition period in those carrier jurisdictions that allowed separate billing for these services prior to the implementation of the AFS. (These services are separately payable only for Method 3 and 4 ambulance suppliers.) In those jurisdictions that allow separate payment for drugs and/or EKG testing, carriers apply the appropriate reasonable charge percentage for the AFS transition year (40% in 2004) to the reasonable charge amount for these codes. (Because separately billable items are not recognized under the fee schedule, there is no fee schedule portion for these codes.) In jurisdictions where separate payment for drugs and/or EKG testing was not permitted prior to April 1, 2002, carriers must continue to deny supplier claims for these services when billed separately. See Section 30.2.3 of the Medicare Claims Processing Manual, Chapter 15, "Ambulance" for the complete set of the SNF CB rules applicable to ambulance transports.

C. Provider Education: None.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement #	Requirements	Responsibility
3212.1	Carriers that allowed, prior to April 1, 2002, separate payment for drugs and/or EKG testing when provided during a covered SNF ambulance transport not subject to SNF CB shall continue to pay claims for the separately billable HCPCS J-codes (J0000-J9999), Q-codes (Q0163 through Q0181), and EKG testing CPT codes (93005 and 93041) through the end of the AFS transition period, December 31, 2005. Carriers eligible to pay for these services shall apply the appropriate reasonable charge percentage for the AFS transition year to the reasonable charge amount for the allowable codes.	Local Part B Carriers
3212.2	Carriers that did not allow, prior to April 1, 2002, separate payment for drugs and/or EKG testing provided during a covered SNF ambulance transport not subject to SNF CB shall continue to deny claims for separately billed HCPCS J-codes (J0000-J9999), Q-codes (Q0163 through Q0181), and EKG testing CPT codes (93005 and 93041).	Local Part B Carriers

III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

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: October 1, 2004</p> <p>Implementation Date: October 4, 2004</p> <p>Pre-Implementation Contact(s): Susan Webster (410) 786-3384</p> <p>Post-Implementation Contact(s): Susan Webster (410) 786-3384</p>	<p>These instructions shall be implemented within your current operating budget.</p>
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30.2.3 - SNF Billing

(Rev. 185, 05-28-04)

SNF-516.2, SNF QA Day4

The following ambulance transportation and related ambulance services for residents in a Part A stay are not included in the PPS rate. They may be billed as Part B services by the supplier in only the following situations.

- The ambulance trip is to the SNF for admission (the second character (destination) of any ambulance HCPCS code modifier is N (SNF) other than modifier QN, and the date of service is the same as the SNF 21X admission date.)
- The ambulance trip is from the SNF to home (the first character (origin) of any HCPCS code ambulance modifier is N (SNF)), and date of ambulance service is the same date as the SNF through date, and the SNF patient status (FL 22) is other than 30.)
- The ambulance trip is to a hospital based or nonhospital based ESRD facility (either one of any HCPCS code ambulance modifier codes is G (Hospital based dialysis facility) or J (Nonhospital based dialysis facility)).
- *The ambulance trip is from the SNF to another SNF (the first and second character (origin and destination) of any ambulance HCPCS code modifier is "N" (SNF)) and the beneficiary not in a Part A stay.*

Ambulance associated with the following *outpatient* hospital service exclusions payment is under the ambulance fee schedule:

- Cardiac catheterization;
- Computerized axial tomography (CT) scans;
- Magnetic resonance imaging (MRIs);
- Ambulatory surgery involving the use of an operating room;
- Emergency services;
- Angiography;
- Lymphatic and Venous Procedures; and
- Radiology therapy.

Finally, ambulance transportation for removal, replacement, and insertion of PEG tubes is an excluded service under consolidated billing for Part A and is not considered an SNF

service. Therefore, that ambulance is also excluded from SNF consolidated billing (CB), and the service would be billed to the carrier under Part B.

When not subject to SNF CB, claims for drugs and EKG testing administered during a transport to or from a SNF are separately payable during the AFS transition period only in those carrier jurisdictions that allowed separate payment for J-codes and EKG testing prior to the implementation of the AFS. (Only Method 3 and Method 4 suppliers in carrier jurisdictions that allowed separate payment for these services prior to April 1, 2002 may bill separately for J-codes and EKG testing during the transition period.)

Carriers in those jurisdictions that allow separate billing for J-codes and EKG testing apply the appropriate reasonable charge percentage for the AFS transition year (40% in 2004) to the reasonable charge amount for these codes. (Because separately billable items are not recognized under the fee schedule, there is no FS portion for these codes.) In jurisdictions where separate payment for J-codes and EKG testing was not permitted prior to April 1, 2002, carriers shall deny supplier claims for such services.

The following ambulance transportation and related ambulance services for residents in a Part A stay are included in the SNF PPS rate and may not be billed as Part B services by the supplier. In these scenarios, the services provided are subject to SNF CB and the first SNF is responsible for billing the services to the intermediary:

- A beneficiary's transfer from one SNF to another before midnight of the same day. The first and second characters (origin and destination) of any HCPCS code ambulance modifier are "N" (SNF).*
- A transport between two SNFs is not separately payable when a beneficiary is in a Part A covered SNF stay, and will result in a denial of a claim for such a transport. When billing for ambulance transports, suppliers should indicate whether the transport was part of a SNF Part A covered stay, using the appropriate origin/destination modifier (e.g., "NH" for a transport from a SNF to a hospital).*
- Suppliers should bill with an "NN" origin/destination modifier when a SNF to SNF transport occurs. A transport between two SNFs is not separately payable when a beneficiary is in a Part A covered SNF stay, and will result in a denial of a claim for such a transport.*
- Ambulance transports to or from a diagnostic or therapeutic site other than a physician's office or hospital (e.g., an independent diagnostic testing facility (IDTF), cancer treatment center, radiation therapy center, wound care center, etc.). The first or second character (origin or destination) of any HCPCS code ambulance modifier is "D", and the other modifier (origin or destination) is "N" (SNF).*