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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.

Implementation Date: October 4, 2004

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

Provider Types Affected

Hospitals and skilled nursing facilities

Provider Action Needed

This instruction updates the Medicare System Edits for its Common Working File (CWF) for Skilled Nursing Facility (SNF) Consolidated Billing (CB) to expand the bypass for Pharmacy Services, and revises the edit(s) to bypass revenue code 25X when billed with an excluded surgery or emergency room service.

Background

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. SNF CB is required under Section 1888 (e)(2) of the Social Security Act, and SNF CB excludes emergency room services, most surgical procedures, and services related to those exclusions.

Currently, Medicare systems are bypassing the consolidated billing edit on Revenue Code 250 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 (SNF CB) rule in error. In addition, some pharmacy charges billed under Revenue Code 250 are also being rejected because the Revenue Code does not require a line item date of service.

This instruction updates the Medicare (CWF) Edits for Skilled Nursing Facility (SNF) Consolidated Billing (CB) to expand the bypass for Pharmacy Services, and it revises the CWF edit(s) to bypass revenue code 25X when billed with an excluded surgery or emergency room service.

Implementation

The implementation date for this instruction is October 4, 2004.

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Additional Information

The Medicare Claims Processing Manual (Pub 100-04), Chapter 6 (SNF Inpatient Billing) Section 20 (Services Included in Part A PPS Payment Not Billable Separately by the SNF), Subsection 20.1.2 (Other Excluded Services Beyond the Scope of a SNF Part A Benefit), Sub-subsection 20.1.2.1 (Emergency Services) are being revised. The revised pages are attached to the official instruction issued to your intermediary on this change.

To view those instructions, go to:

http://www.cms.hhs.gov/manuals/transmittals/comm_date_dsc.asp

From that web page, look for CR3277 in the CR NUM column on the right, and click on the file for that CR. If you have any questions, please contact your intermediary at their toll-free number, which may be found at:

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