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# Program Memorandum Carriers

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

Transmittal B-02-067

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## CHANGE REQUEST 2360

**SUBJECT: Revision to Messages for Skilled Nursing Facility (SNF) Consolidated Billing and Implementation of Common Working File (CWF) Edits for Clinical Social Workers (CSWs) for SNF Consolidated Billing**

### Revision to Messages for SNF Consolidated Billing

Effective April 1, 2003, remark code N73 and the Medicare Summary Notice (MSN) 13.9 that were provided in CRs 1764, 1955 and 2082 have been revised to a more generic format to address a variety of situations. Carriers/standard systems must revise the current messages to the following.

#### Remittance Advice (RA)

Report adjustment reason code 109 – Claim not covered by this payer/contractor. You must send the claims to the correct payer/contractor; and

Remark code N73 - A SNF is responsible for payment of outside providers who furnish these services/supplies under arrangement to its residents.

**NOTE:** As with any new remark code, notify potential recipients of the new code and its meaning prior to initial use in a remittance advice notice.

#### MSN

13.9 - Medicare Part B does not pay for this item or service since our records show that you were in a skilled nursing facility on this date.

13.9 - La Parte B de Medicare no paga por este artículo o servicio porque nuestros expedientes indican que usted estuvo en una institución de enfermería especializada en esta fecha.

### CWF Edits

CWF must implement and revise the following edits for services rendered to beneficiaries in a Part A SNF stay. As appropriate, carriers and/or standard systems must make any necessary adjustments to accommodate the new error code and new messages.

#### Edit 1

Per the Balanced Budget Act, services provided by CSWs to beneficiaries in a Part A SNF stay may not be billed separately to the carrier. Payment for these services is included in the prospective payment rate paid to the SNF. Though the policy has been in effect since April 1, 2001, there were no corresponding edits.

Effective April 1, 2003, CWF must establish a new edit for services rendered to these beneficiaries with dates of service on or after April 1, 2001, for claims received on or after April 1, 2003. Once CWF has determined that a beneficiary is in a Part A stay, prior to applying the edits that review Healthcare Common Procedure Codes (HCPCs) to determine if payment should be allowed, CWF must review the performing provider type of the submitting entity. If the performing provider type is 80, CWF must reject the claim to the carrier with a new error code that will be established in the CWF documentation.

When carriers receive the new reject code, they must deny the claim and use the following RA and MSN messages.

#### RA

Report claim adjustment reason code 96 – Non-covered charges; and

Remark code N121 - Medicare Part B does not pay for items or services provided by this type of practitioner for beneficiaries in a Medicare Part A covered skilled nursing facility stay.

**NOTE:** As with any new remark code, notify potential recipients of the new code and its meaning prior to initial use in a remittance advice notice.

#### MSN

13.10 – Medicare Part B does not pay for items or services provided by this type of practitioner since our records show that you were receiving Medicare Part A benefits in a skilled nursing facility on this date.

13.10 - La Parte B de Medicare no paga por artículos o servicios provistos por este tipo de médico ya que nuestros expedientes indican que usted estaba recibiendo beneficios de la Parte A de Medicare en una institución de enfermería especializada en esta fecha.

#### Edit 2

Effective April 1, 2003, for services rendered to beneficiaries with dates of service on or after April 1, 2001, CWF must establish an additional edit, similar to Edit 1, to coordinate with the unsolicited response logic.

When CWF receives a claim that establishes a SNF Part A stay, it will determine if there are claims posted to CWF history already paid by a carrier that fall within the dates of the stay. Prior to doing the HCPC/date review, CWF must determine if the performing provider type is 80. If so, CWF will return an unsolicited informational response to the carrier with the same error code established in Edit 1. The carrier must then take the same adjustment and recovery action as for other unsolicited responses per CRs 1955 and 2082.

Carrier must use the same RA and MSN messages as for Edit 1.

**The *effective date* for this Program Memorandum (PM) is April 1, 2003.**

**The *implementation date* for this PM is April 1, 2003.**

**These instructions should be implemented within your current operating budget.**

**This PM may be discarded after January 1, 2004.**

**If you have any questions, contact the appropriate regional office.**