Medlearn Matters
Information for Medicare Providers

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Update to the Frequency of Billing

Provider Types Affected

Skilled Nursing Facilities (SNFs), hospitals considered to be Tax Equity and Fiscal Responsibility Act (TEFRA) hospitals, and hospitals paid under the Outpatient Prospective Payment System (OPPS)

Provider Action Needed

Effective January 1, 2005, Medicare fiscal Intermediaries (FIs) will accept inpatient bills monthly from SNFs and TEFRA hospitals. Medicare encourages these facilities to bill monthly. In addition, this article clarifies billing of outpatient services under the OPPS on the same day that a repetitive OPPS service is billed on a separate claim.

Background

On October 1, 2003, The Centers for Medicare & Medicaid Services (CMS) implemented new edits. These edits forced monthly bill submissions for long term care hospitals (LTCHs), SNFs, and inpatient hospitals not subject to the Inpatient Prospective Payment System (IPPS). However, these edits allowed monthly bill submission for periodic interim payment (PIP) providers and inpatient rehabilitation facilities (IRFs).

Inpatient services in TEFRA hospitals (i.e., psychiatric hospital or units, cancer and children's hospitals) and SNFs are to be billed:

- Upon discharge of the beneficiary;
- When the beneficiary's benefits are exhausted;
- When the beneficiary's need for care changes; or
- Monthly.

Hospitals in Maryland that are under the jurisdiction of the Health Services Cost Review Commission are subject to monthly billing cycles.

Also, providers subject to the OPPS are reminded that repetitive services to a single individual **will be billed monthly**. Where there is an inpatient stay, or outpatient surgery, or outpatient hospital service

subject to OPPS, one bill **will** be submitted for the entire month if the provider uses an occurrence span code 74 to encompass the inpatient stay, day of outpatient surgery, or outpatient service subject to OPPS.

Bills for outpatient services subject to OPPS **will** contain on a single bill all services provided on the same day except claims containing condition codes 20, 21, or G0 (zero) or kidney dialysis services, which are billed on a 72x bill type. If an individual OPPS service is provided on the same day as an OPPS repetitive service, the individual OPPS service *is to be billed on a separate OPPS claim containing the individual service and all packaged and/or related services. For example, if a chemotherapy drug is administered on a day that a repetitive service is also rendered, then the chemotherapy drug, its administration, its related supplies, etc., are on a separate claim from the monthly repetitive services claim. However, if some of the services are for partial hospitalization, the provider shall place condition code 41 on the claim. For claims containing conditions code 41, all services billed on the same day are to be included on the monthly bill for repetitive services. Non-repetitive OPPS services, exclusive of partial hospitalization services, are to be put on a single claim along with any packaged services. Repetitive services are billed monthly on a separate claim.*

Additional Information

To view the official instruction and revised manual pages issued to your intermediary on this issue, see CR3382, which may be found at:

http://www.cms.hhs.gov/manuals/pm_trans/R239CP.pdf

If you have any questions, you may also contact your intermediary at their toll-free number, which may be found at:

http://www.cms.hhs.gov/medlearn/tollnums.asp