



Provider Inquiry Assistance

Medicare Part A Skilled Nursing Facility (SNF) Prospective Payment System (PPS) Pricer Update Fiscal Year (FY) 2010 – JA6568

Related CR Release Date: August 28, 2009

Date Job Aid Revised: September 3, 2009

Effective Date: October 1, 2009

Implementation Date: October 5, 2009

Key Words MM6568, CR6568, R1807CP, SNF, PPS, Pricer

Contractors Affected

- Part A/B Medicare Administrative Contractors (A/B MACs)
- Fiscal Intermediaries (FIs)

Provider Types Affected SNFs submitting claims to FIs and/or A/B MACs for services paid under the SNF PPS



Change Request (CR) 6568 reminds providers that the SNF PPS rates are updated annually and provides information on the updates to the payment rates used under the PPS for SNFs for FY 2010.

Provider Needs to Know...

- The SNF PPS rates will be effective for service dates beginning October 1, 2009, through September 30, 2010. The rates will be published in the Federal Register on August 11, 2009 (74 FR 40288).
- The statute mandates an update to the federal rates using the latest SNF full market basket.
- The update methodology is identical to that used in the previous year and will include the Modernization Act of 2003 (MMA) reimbursement for beneficiaries with AIDS.

- This update includes new case-mix indexes using the recalculated case-mix adjustments based on actual data.
- Providers may view information relating to Medicare payments and consolidated billing for SNFs at http://www.ssa.gov/OP_Home/ssact/title18/1888.htm on the Internet.

Background

- Annual updates to the PPS rates are required by the Social Security Act (Section 1888(e), as amended by the:
 - Medicare, Medicaid, and State Children's Health Insurance Program (SCHIP) Balanced Budget Refinement Act of 1999,
 - Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000, and the Medicare Prescription Drug, Improvement, and
 - The MMA, relating to Medicare payments and consolidated billing for SNFs.

**Operational
Impact**

N/A

**Reference
Materials**

The related MLN Matters® article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6568.pdf> on the CMS website.

The official instruction (CR6568) regarding this change may be viewed at <http://www.cms.hhs.gov/Transmittals/downloads/R1807CP.pdf> on the CMS website.