



Related MLN Matters Article #: MM3323

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Related CR #: 3323

*Additional Clarification of Bill Types 22x and 23x Submitted by Skilled Nursing Facilities (SNFs) with Instruction for Involuntarily Moving a Beneficiary Out of the SNF and Ending a Benefit Period*

### Key Words

MM3323, CR3323, R229CP, 22x, 23X, Skilled, Nursing, Facilities, SNF, Residents, Non-Residents, DPU

### Provider Types Affected

Skilled Nursing Facilities

### Key Points

- The effective date of the instruction is August 19, 2004.
- The implementation date is August 19, 2004.
- MLN Matters article MM3323 and related Change Request (CR) 3323 provide additional clarification of bill types 22x and 23x submitted by a SNF with instruction for involuntarily moving a beneficiary out of the SNF and ending a benefit period.
- CR3323 replaces CR2674, which was issued as Transmittal A-03-040 on May 9, 2003.
- SNFs should use bill type 22x for individuals who are actually placed in the **Medicare-certified** part of the SNF.
- SNFs should use bill type 23x for individuals who are placed in the **Medicare non-certified** area of the SNF.

### Using the Correct Bill Type

- When a SNF limits its Medicare participation to a distinct part unit (DPU) and moves a beneficiary who no longer meets Medicare skilled level of care (required for a covered Part A stay) from the Medicare-certified DPU to a non-certified part of the institution, the beneficiary has technically ceased to reside in the Medicare-certified SNF and, therefore, is appropriately billed as a non-resident of the SNF using bill type 23x.

- When the entire facility qualifies as a Medicare-certified SNF, all Part B therapies must continue to be billed by the SNF on a 22x bill type.

### Involuntarily Moving a Resident Out of a Medicare-Certified SNF or DPU

- Circumstances under which a resident can be involuntarily moved out of a Medicare-certified SNF or DPU can include the resident's health improving to the point that he/she no longer requires SNF care.
- If a resident has exhausted his/her Part A benefits but continues to require SNF care, he/she cannot be moved out of the Medicare-certified SNF or DPU for reasons other than those stated in the regulations.
- A resident cannot be moved to avoid consolidated billing requirements, or to establish a new benefit period.
- If a resident of a Medicare-certified DPU ceases to require SNF care, he/she may be moved from the DPU to the Medicare non-certified area of the institution, which would end the beneficiary's status as a SNF resident for consolidated billing purposes.

### Ending a Benefit Period

- A benefit period ends 60 days after the beneficiary ceased to be an inpatient of a hospital and has not received inpatient skilled care in a SNF during the same 60-day period.
- If the SNF resident's health has improved to the point that he/she no longer needs or receives the level of skilled care required for Part A coverage, the SNF must bill one of the two following scenarios:
  - For residents who leave the Medicare-certified SNF or DPU, the SNF must:
    - Submit a final discharge bill.
    - Submit on a 23x any services rendered after the discharge and billed by the SNF.
  - For residents who remain in the Medicare-certified SNF or DPU after the skilled level of care ends, the SNF must:
    - Submit the last skilled care claim with an occurrence code 22 to indicate the date active care has ended.
    - Submit on a 22x any services rendered and billed by the SNF after the skilled care ended.
    - Bill all therapies on the 22x.
- Additional instructions on ending a benefit period can be found in the *Medicare General Information, Eligibility and Entitlement Manual*, Chapter 3, Section 10.4.3.2.
- Lack of a beneficiary's need for skilled care in a SNF triggers the start of the 60-day count toward ending a benefit period. However, it is the physical location of the beneficiary within the certified part of the facility that confers resident status for the purposes of the SNF Part B consolidated billing rule for therapies.
- It is possible for a beneficiary to no longer need or receive skilled care, resulting in ending a benefit period, but still be a resident of the SNF or Medicare-certified DPU. This requires the SNF to bill for all therapies rendered to the resident.

## Important Links

The related MLN Matters article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3323.pdf> on the CMS website.

The official instruction (CR3323) regarding this change may be viewed at <http://www.cms.gov/Transmittals/downloads/R229CP.pdf> on the CMS website.

If providers have any questions, they may contact their fiscal intermediary (FI) at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.