



Related MLN Matters Article #: MM6030

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Charges to Hold a Bed during Skilled Nursing Facility (SNF) Absence

Key Words

MM6030, CR6030, R1522CP, SNF, Absence

Provider Types Affected

SNFs submitting claims to Medicare Fiscal Intermediaries (FIs) and Part A/B Medicare Administrative Contractors (A/B MACs) for SNF services provided to Medicare beneficiaries

Key Points

- The effective date of the instruction is June 30, 2008.
- The implementation date is June 30, 2008.
- Change Request (CR) 6030 describes the policies relating to bed-hold payments in a SNF by updating the *Medicare Claims Processing Manual* (Chapter 1 (General Billing Requirements), Section 30.1 (Charges to Hold a Bed during SNF Absence)).
- Charges to a beneficiary for admission or readmission to a SNF are not allowable.
- However, when temporarily leaving a SNF, a resident can choose to make bed-hold payments to the SNF.
- Under the Social Security Act (Section 1819(c)(1)(B)(iii)); (see http://www.ssa.gov/OP_Home/ssact/title18/1819.htm on the internet) and the 42 Code of Federal Regulations (CFR) §483.10(b)(5)-(6), a SNF must inform residents in advance of their option to make bed-hold payments, as well as the amount of the facility's charge.

Note: SNFs, but not hospitals, may bill the beneficiary for holding a bed during a leave of absence if Medicare requirements are met.

Charges to Hold a Bed During SNF Absence

- Bed-hold payments are readily distinguishable from payments made prior to initial admission, in that the absent individual has already been admitted to the facility and has established residence in a particular living space within it.
- Bed-hold payments are distinguishable from payments for readmission, in that the latter compensate the facility merely for agreeing in advance to allow a departing resident to reenter the facility upon return, while bed-hold payments represent remuneration for the privilege of actually maintaining the resident's personal effects in the particular living space that the resident has temporarily vacated.
- One indicator that post-admission payments do represent permissible bed-hold charges related to maintaining personal effects in a particular living space (rather than a prohibited charge for the act of readmission itself) would be that the charges are calculated on the basis of a per diem bed-hold payment rate multiplied by the number of days the resident is absent, as opposed to assessing the resident a fixed sum at the time of departure from the facility.
- Under §1819(c)(1)(B)(iii) of the Act and 42 CFR 483.10(b)(5)-(6), the facility must inform residents in advance of their option to make bed-hold payments, as well as the amount of the facility's charge.
- For these optional payments, the facility should make clear that the resident must affirmatively elect to make them prior to being billed.
- A facility cannot simply deem a resident to have opted to make such payments and then automatically bill for them upon the resident's departure from the facility.
- Chapter 30 of the *Medicare Claims Processing Manual* describes the related notification requirements. That chapter is available at <http://www.cms.hhs.gov/manuals/downloads/clm104c30.pdf> on the CMS website.

Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6030.pdf> on the CMS website.

The official instruction (CR6030) issued regarding this change may be viewed at

<http://www.cms.hhs.gov/Transmittals/downloads/R1522CP.pdf> on the CMS website. The revised section of the *Medicare Claims Processing Manual* is attached to CR6030.