

# Program Memorandum Intermediaries

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

Transmittal A-02-060

Date: JULY 10, 2002

CHANGE REQUEST 2257

**SUBJECT: Revision to Billing for Swing Bed Services Under Skilled Nursing Facility Prospective Payment System (SNF PPS)**

**This PM consists of:**

- **A change in the type of bill (TOB) to be used for services excluded from SNF PPS. The correct TOB for excluded services is 13x. We have repeated the entire section on Special Billing Requirements from CR 1666; and**
- **A change in the method for loading the provider-specific file. FIs must use the swing bed hospital's actual MSA code. Based on the MSA code, the SNF Pricer will select the appropriate rural or urban rate table as it does for SNFs. This revised instruction requires no change to the Pricer or to the standard systems.**

## **REQUIREMENTS FOR SWING BEDS UNDER SNF PPS**

Providers of swing bed services are eligible for additional payment for services that are excluded from the SNF Part A consolidated billing requirements. These consolidated billing exclusions are not subject to the hospital bundling requirements specified in §1862 (a)(14) of the Act and in 42 CFR §411.15(m). All services not specifically excluded from the SNF PPS consolidated billing requirements must be included in the Part A swing bed bill (TOB 18x).

If a swing bed hospital furnishes a service or supply to a beneficiary receiving SNF-level services that is excluded from the SNF PPS rate; the swing bed hospital may submit a separate bill to the FI for the SNF PPS-excluded service. This bill must use TOB 13x with all appropriate revenue codes, HCPCS codes, and line item date of service billing information. A list of services that are excluded from the SNF PPS rate is included in Attachment 1. For more detailed information on services that are separately billable under the SNF PPS, see PM AB-02-043.

Bills for these SNF PPS consolidated billing "exclusions" must be filed as outpatient Part B services and will be paid as outpatient Part B services under the Outpatient Prospective Payment System (OPPS). Note that services included under the SNF PPS may not be billed separately.

Similarly, as explained above, swing bed hospitals may file bills with the FIs for Part B ancillary services furnished to Medicare beneficiaries who are not in a Part A swing bed stay. These claims will be billed as hospital inpatient Part B services, and payable under the OPPS.

## **Provider-Specific File**

For SNF PPS purposes, swing bed hospitals should be assigned to provider type 38. Swing bed providers will be paid at 100 percent of the federal rate. When loading the swing bed hospital's provider-specific file, code a "4" in the Federal Blend Indicator field and use the actual MSA code. The Pricer program will use the MSA code to select the appropriate rural or urban rate table. This is the same methodology currently used for SNFs and requires no change to the Pricer or to the standard systems.

**NOTE: There are situations where rural hospitals are permitted to reclassify and be reimbursed for hospital services as urban facilities. This reclassification does not apply to swing bed payment under the SNF PPS.**

**The *effective date* for this PM is claims processed on and after July 1, 2002.**

**The *implementation date* for this PM is July 12, 2002.**

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

**This PM may be discarded after July 1, 2003.**

**If you have any questions contact Cindy Murphy at (410) 786-5733.**

## SWING BED RESPONSIBILITY FOR BILLING ANCILLARY SERVICES

## A -- Medicare SNF Consolidated Billing Responsibility

<b>SERVICES</b>	<b><i>BUNDLED BACK TO SWING BED PROVIDER</i></b>	<b><i>SEPARATELY BILLABLE BY SWING BED PROVIDER</i></b>
<b>Services Provided After Discharge From the SNF-Level Extended Care Bed</b>		
• To home (no return by midnight)		<b>X</b>
• To home (return by midnight)	<b>X</b>	
• To home for home health services under a plan of care		<b>X</b>
• To hospital or CAH for inpatient admission		<b>Billed by hospital or CAH</b>
<b>Services Within the General Scope of Swing Bed Care (All services except those specifically excluded by legislation and/or by CMS)</b>	<b>X</b>	
<b>Services Excluded by the BBA</b> <ul style="list-style-type: none"> <li>• Physician services</li> <li>• Physician assistant services performed under supervision</li> <li>• Nurse practitioners and clinical nurse specialists working in collaboration with a physician</li> <li>• Certified nurse midwife</li> <li>• Qualified psychologist</li> <li>• Certified registered nurse anesthetist</li> <li>• Home dialysis supplies and equipment, self care dialysis support services, and institutional dialysis services and supplies</li> <li>• Erythropoietin (EPO) for certain dialysis patients</li> <li>• Hospice care related to a beneficiary's terminal illness</li> <li>• Ambulance - initial admission /final discharge</li> </ul>		<b>X</b>

## ATTACHMENT 1 (cont'd)

## SWING BED RESPONSIBILITY FOR BILLING ANCILLARY SERVICES

<b>Services Excluded by CMS from SNF PPS Financial Responsibility Under Consolidated Billing<sup>1</sup> (as identified by codes in CMS PM No. A-00-88, 11/22/2000)</b>		<b>X</b>
• <b>Outpatient Hospital Emergency Services<sup>2</sup></b>		<b>X</b>
• Magnetic resonance imaging (MRI)		<b>X</b>
• Computerized axial tomography (CT) scans		<b>X</b>
• Ambulatory surgery involving the use of an operating room - (1999 PPS Final Rule provides that PEG tube procedures performed in a GI suite or an endoscopy suite are also excluded from consolidated billing.)		<b>X</b>
• Cardiac catheterization		<b>X</b>
• Hospital outpatient radiation therapy		<b>X</b>
• Hospital outpatient angiography		<b>X</b>
• Lymphatic and venous procedures		<b>X</b>
<b>Services excluded by the BBRA<sup>3</sup></b>		
• Certain Chemotherapy items and administrative services,		<b>X</b>
• Certain Radioisotope services,		<b>X</b>
• Certain Customized prosthetic devices		<b>X</b>
<b>Ambulance Trips</b>	<b>See chart B</b>	<b>See chart B</b>

<sup>1</sup> Services must be obtained at an outpatient hospital department. Services obtained at a freestanding clinic are not exempt.

<sup>2</sup> Outpatient hospital emergency services are defined in 42 CFR Section 424.101 as services that are necessary to prevent death or serious impairment of health and, because of the danger to life or health, require use of the most accessible hospital available and equipped to furnish those services.

<sup>3</sup> Services do not have to be obtained at an outpatient hospital department. The Part B suppliers of these services will be able to bill Medicare Part B directly, i.e., the specified chemotherapy and radioisotope services can be provided and billed by hospital outpatient departments, physicians' offices, or other appropriate suppliers and prosthetics suppliers will be able to bill for the specified customized prosthetic devices indicated by the codes in the legislation.

## ATTACHMENT 1 (cont'd)

## SWING BED RESPONSIBILITY FOR BILLING ANCILLARY SERVICES

**B -- Current Responsibility for Ambulance Services to Medicare Beneficiaries Receiving SNF-Level Services in a Swing Bed Hospital**

<b>TYPE OF TRIP</b>	<b><i>AMBULANCE BILLS CARRIER</i></b>	<b><i>AMBULANCE BILLS Swing Bed Facility</i></b>
<b>Initial Admission to SNF-Level Care at Swing Bed Facility<sup>4</sup></b>	X	
<b>Final Discharge From SNF</b>		
• To home (no return by midnight)	X	
• To home (return by midnight)		X
• To home for home health services under a plan of care	X	
• To another hospital for acute care services	X	
• To another SNF (medical necessity) <sup>5</sup>		X
<b>Round-Trip to Obtain Dialysis Services (BBRA) in another facility</b>	X	
<b>Round-Trip to Another Hospital for Emergency Services</b>	X	
<b>Round-Trip to Another Hospital for Services Within the General Scope of Swing Bed Care (All services except those specifically excluded by CMS)</b>		X
<b>Round-Trip to Another <u>Hospital</u> for Services Excluded by CMS from SNF PPS Financial Responsibility Under Consolidated Billing<sup>6</sup></b>	X	
• Magnetic resonance imaging (MRI)	X	
• Computerized axial tomography (CT) scans	X	
• Ambulatory surgery involving the use of an operating room -- (1999 PPS Final Rule provides that PEG tube procedures performed in a GI suite or an endoscopy suite are also excluded from consolidated billing.)	X	
• Cardiac catheterization	X	
• Hospital outpatient radiation therapy	X	

<sup>4</sup> Applicable to swing bed providers only when the patient is being transferred from another acute care hospital to receive extended care services at a swing bed facility.

<sup>5</sup> Ambulance bills transferring facility.

<sup>6</sup> Services must be obtained at an outpatient hospital department. Ambulance payment is available only if the services required by the beneficiary are not available at the swing bed hospital. Services obtained at a freestanding clinic are not exempt.

## ATTACHMENT 1 (cont'd)

## SWING BED RESPONSIBILITY FOR BILLING ANCILLARY SERVICES

• Hospital outpatient angiography	X	
• Lymphatic and venous procedures ----->	X	
<b>Round-Trip to Provider of Services Excluded by BBA from SNF PPS Financial Responsibility Under Consolidated Billing, e. g., a round-trip to a physician's office</b>		X
<b>Round-Trip to Provider of Services Excluded by BBRA from SNF PPS Financial Responsibility Under Consolidated Billing<sup>7</sup> --</b> Certain chemotherapy items and administrative services, radioisotope services, and customized prosthetic devices		X

<sup>7</sup> It is expected that swing bed providers perform these services within the facility. However, if the services are not available in the swing bed facility, the swing bed provider may use an independent supplier. The Part B suppliers of these services will be able to bill Medicare Part B directly, e.g., radioisotope services performed in a free-standing center, ambulance transportation to a dialysis center.