

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



News Flash – The “World of Medicare” Web-Based Training (WBT) course has been revised (as of January 2011). It is designed for healthcare professionals who want to understand the fundamentals of the Medicare program, and covers Medicare Part A, Part B, Part C, and Part D; identifying Medicare beneficiary health insurance options; eligibility and enrollment; as well as recognizing how Medigap and Medicaid work with the Medicare program. This WBT course offers continuing education credits; please see the course description for details. To access the training course, visit <http://www.CMS.gov/MLNGenInfo> on the Centers for Medicare & Medicaid Services (CMS) website, scroll to “Related Links Inside CMS,” select “Web-Based Training (WBT) Modules,” and then select “World of Medicare (Developed: January 2010 / Revised January 2011)” from the list of trainings provided.

MLN Matters® Number: MM7522

Related Change Request (CR) #: 7522

Related CR Release Date: August 26, 2011

Effective Date: October 1, 2011

Related CR Transmittal #: R2292CP

Implementation Date: October 3, 2011

Medicare Part A Skilled Nursing Facility (SNF) Prospective Payment System (PPS) Pricer Update Fiscal Year (FY) 2012

Provider Types Affected

This article is for Skilled Nursing Facilities (SNFs) billing Medicare contractors (Fiscal Intermediaries (FIs) and/or Part A/B Medicare Administrative Contractors (A/B MACs)) for services paid under the Skilled Nursing Facility Prospective Payment System (SNF PPS).

Provider Action Needed

This article is based on Change Request (CR) 7522 which describes the updates to the payment rates used under the PPS for SNFs for FY 2012, as required by statute. Be sure your billing staff is aware of these rate changes.

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Background

Annual updates to the PPS rates are required by Section 1888(e) of the Social Security Act, as amended by the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (the BBRA), the Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000 (the BIPA), and the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (the MMA), relating to Medicare payments and consolidated billing for SNFs.

The Centers for Medicare & Medicaid Services (CMS) published the SNF payment rates for FY 2012 (that is, beginning October 1, 2011, through September 30, 2012), in the Federal Register on August 8, 2011 (76 FR 48486). The update methodology is identical to that used in the previous year and will include the MMA reimbursement for beneficiaries with AIDS. This update includes new case-mix indexes using the recalculated case-mix adjustments based on actual RUG-IV data. The statute mandates an update to the Federal rates using the latest SNF full market basket adjusted for productivity. The payment rates will be effective October 1, 2011.

Additional Information

The official instruction, CR7522, issued to your FI or A/B MAC regarding this change may be viewed at <http://www.cms.gov/Transmittals/downloads/R2292CP.pdf> on the CMS website.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at <http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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