

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



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- [“General Equivalence Mappings Frequently Asked Questions,”](#) Booklet, ICN 901743, Downloadable only.

MLN Matters® Number: MM8329

Related Change Request (CR) #: CR 8329

Related CR Release Date: June 21, 2013

Effective Date: October 1, 2013

Related CR Transmittal #: R2731CP

Implementation Date: October 7, 2013

Medicare Part A Skilled Nursing Facility (SNF) Prospective Payment System (PPS) Pricer Update FY 2014

Provider Types Affected

This MLN Matters® Article is intended for Skilled Nursing Facilities (SNFs) submitting claims to Medicare contractors (Fiscal Intermediaries (FIs) and/or Part A/B Medicare Administrative Contractors (A/B MACs)) for services provided to Medicare beneficiaries paid under the SNF Prospective Payment System (PPS).

Provider Action Needed

This article is based on CR 8329 which describes the updates to the payment rates used under the Prospective Payment System (PPS) for Skilled Nursing Facilities (SNFs), for Fiscal Year (FY) 2013, as required by statute. Be sure that your billing staff is aware of these changes.

Background

Annual updates to the Prospective Payment System (PPS) rates are required by the Social Security Act (Section 1888(e)), as amended by the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (the BBRA), the Medicare, Medicaid, and SCHIP Benefits Improvement and

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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.

Each July, the Centers for Medicare & Medicaid Services (CMS) publishes the Skilled Nursing Facility (SNF) payment rates for the upcoming fiscal year (that is, beginning October 1, 2013 through September 30, 2014) in the *Federal Register*, available online at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/List-of-SNF-Federal-Regulations.html> on the CMS website. The update methodology is identical to that used in the previous year, which includes a forecast error adjustment whenever the difference between the forecasted and actual change in the SNF market basket exceeds 0.5 percentage point. 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, 2013.

Additional Information

The official instruction, CR 8329 issued to your Medicare FIs and A/B MACs regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2731CP.pdf> on the CMS website.

If you have any questions, please contact your Medicare FIs or A/B MACs at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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