

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1105	Date: NOVEMBER 9, 2006
	Change Request 5114

SUBJECT: Swing Bed Hospital Updates

I. SUMMARY OF CHANGES: This change request removes obsolete material in the manual regarding swing beds to include: hospitals with 50-99 beds; and, application of capped amount, due to the passage of section 408 of the Balanced Budget Refinement Act of 1999 (BBRA), that was effective with the start of the facility's fourth cost reporting period that began on or after July 1, 1998. (For those facilities that received no Medicare payment prior to October 1, 1995, these changes were effective as of the date of BBRA's enactment, November 29, 1999).

MANUALIZATION/CLARIFICATION – EFFECTIVE DATE*: N/A

IMPLEMENTATION DATE: December 11, 2006

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revise information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	Chapter / Section / Subsection / Title
R	3/60/Swing-Bed Services

III. FUNDING:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2007 operating budgets.

IV. ATTACHMENTS:

**Business Requirements
Manual Instruction**

**Unless otherwise specified, the effective date is the date of service.*

Attachment - Business Requirements

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SUBJECT: Swing Bed Hospital Updates

I. GENERAL INFORMATION

A. Background: Section 408 of the BBRA changed the requirement that swing bed hospitals have between 50 to 99 beds to less than 100 and eliminated the cap on payment.

B. Policy: Rural hospitals with less than 100 beds can make application and request approval to be a swing bed hospital from the regional office. In order to obtain a swing bed approval the hospital must be located in a rural area and have fewer than 100 beds; have a Medicare provider agreement, as a hospital; be substantially in compliance with the SNF participation requirements identified in 42 CFR 482.66; not have in effect a 24-hour nursing waiver granted under 42 CFR 488.54(v); and not have had a swing bed approval terminated within the 2 years previous to the application for swing bed participation.

Effective for cost reporting periods starting July 1, 2002, when a swing bed hospital provides extended care services, Medicare payment for those services will be based on the rules governing the SNF PPS, except for those swing beds located in CAHs.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement
"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
5114.1	Fiscal Intermediaries shall ensure that payment to rural swing bed hospitals is made based upon the requirements of the SNF PPS, effective for cost reporting periods starting on and after July 1, 2002.	X							AB MAC	
5114.2	Fiscal Intermediaries shall ensure that payment to swing beds located in CAHs are paid on a reasonable cost basis effective with cost reporting periods beginning on or after the date of the enactment of the BIPA 2000, or	X							AB MAC	

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
	December 21, 2000.								

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
	None.								

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date*: N/A</p> <p>Implementation Date: December 11, 2006</p> <p>Pre-Implementation Contact(s): Julie Stankivic (410) 786-5725</p> <p>Post-Implementation Contact(s): Julie Stankivic (410) 786-5725</p>	<p>No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2007 operating budgets.</p>
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60 - Swing-Bed Services

(Rev.1105, Issued: 11-09-06, Effective: N/A, Implementation: 12-11-06)

Swing-bed services must be billed separately from inpatient hospital services. Swing-bed hospitals use one provider number when billing for hospital services to identify hospital swing-bed SNF bills. The following alpha letters identify hospital swing-bed SNF bills (for CMS use only, effective May 23, 2007, providers are required to submit only their NPI. NOTE: The swing-bed NPI will be mapped to the 6-digit alpha-numeric legacy (OSCAR) number.):

- "U" = short-term/acute care hospital swing-bed;
- "W" = long-term hospital swing-bed; and
- "Y" = rehabilitation hospital swing-bed.

A. Inpatient Hospital Services in a Swing-Bed

The patient status code of 03 is inserted on the claim in FL 22 when the beneficiary swings from acute to SNF level of care. (This constitutes a discharge for purposes of Medicare payment for inpatient hospital services under PPS.) The FI indicates in FL 6 the last day of care at the hospital level.

If the beneficiary is discharged from a Medicare swing bed and remains in the hospital, there is no need for a no-pay bill. However, if a beneficiary continues to receive care after completing their stay in a SNF swing bed, in a NF swing bed, the hospital must submit covered claims to Medicare.

B. SNF Services in a Swing-Bed

Services are billed, in accordance with Chapter 25 with the following exceptions:

- The date of admission on the swing-bed SNF bill is the date the patient began to receive SNF level of care services;
- State level agreements may call for varying types of bill coding in FL 4. CMS does not perform edits on type of bill coding on bills with 8 in the 2nd digit (bill classification), in FL 18 of the CWF inpatient record if the record is identified in FL 1 as hospital or SNF. Therefore, the FI accepts, with subsequent conversion, any bill type agreed to at the State level to identify swing-bed billing, *i.e.*, 18X or 21X. It must be sure the record identification of CWF FL 1 is consistent with the provider number shown.