

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 3825	Date: August 4, 2017
	Change Request 10163

SUBJECT: October Quarterly Update to 2017 Annual Update of HCPCS Codes Used for Skilled Nursing Facility (SNF) Consolidated Billing (CB) Enforcement

I. SUMMARY OF CHANGES: This notification provides updates to the lists of Healthcare Common Procedure Coding System (HCPCS) codes that are subject to the consolidated billing provision of the SNF Prospective Payment System (PPS).

Changes to CPT/HCPCS codes and Medicare Physician Fee Schedule designations will be used to revise CWF edits to allow MACs to make appropriate payments in accordance with policy for SNF consolidated billing in Chapter 6, section 20.6.

EFFECTIVE DATE: October 1, 2017

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

IMPLEMENTATION DATE: October 2, 2017

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/revised 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
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

Attachment - Recurring Update Notification

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I. GENERAL INFORMATION

A. Background: The Centers for Medicare and Medicaid Services (CMS) periodically updates the lists of Healthcare Common Procedure Coding System (HCPCS) codes that are **excluded** from the consolidated billing (CB) provision of the SNF Prospective Payment System (PPS). Services **excluded** from SNF PPS and CB may be paid to providers, other than SNFs, for beneficiaries, even when in a SNF stay. Services not appearing on the **exclusion** lists submitted on claims to Medicare Administrative Contractors (MACs), including Durable Medical Equipment MACs (DME MACs), will not be paid by Medicare to any providers other than a SNF. For non-therapy services, SNF CB applies only when the services are furnished to a SNF resident during a covered Part A stay; however, SNF CB applies to physical and occupational therapies and speech-language pathology services whenever they are furnished to a SNF resident, regardless of whether Part A covers the stay. In order to assure proper payment in all settings, Medicare systems must edit for services provided to SNF beneficiaries both included and excluded from SNF CB.

The updated lists for institutional and professional billing are available at:

<http://www.cms.gov/Medicare/Billing/SNFConsolidatedBilling/index.html?redirect=/SNFConsolidatedBilling/>

Certain radiation therapy codes are included as services that are not subject to SNF CB. These codes can be submitted globally (no modifier), professional component only (modifier 26), or technical component only (modifier TC). When the codes listed below are submitted globally or just for the technical component, the claims are being rejected by the Common Working File (CWF). That is to say, they are not allowed to pay separately outside of the consolidated payment that is made to the SNF. When submitted with the 26 modifier for just the professional component, the claims have been allowed to pay.

77014, 77750, 77761, 77762, 77763, 77776, 77777, 77778, 77785, 77786, 77787, 77789, 77790, 77799, 79005, 79101, and 79445.

This error is occurring because the codes were not added by CMS to the appropriate coding lists with the 2015, 2016 and 2017 SNF CB Annual Updates. Therefore, when brought to their attention, for claims with dates of service on or after January 1, 2015, the MACs are instructed to apply the SNF CB override to these codes to adjust the claims.

B. Policy: Section 1888 of the Social Security Act codifies SNF PPS and CB. The new coding identified in each update describes the same services that are subject to SNF PPS payment by law. No additional services will be added by these routine updates; that is, new updates are required by changes to the coding system, not because the services subject to SNF CB are being redefined. Other regulatory changes beyond code list updates will be noted when and if they occur.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								Other
		A/B MAC			D M E	Shared-System Maintainers				
		A	B	H H H		F I S S	M C S	V M S	C W F	
10163.1	For claims processed on or after the implementation of the October 2017 release on October 2, 2017, for 2015, 2016 and 2017, the CWF shall add the following HCPCS codes to File #1 - Physician Services for SNF Consolidated Billing with an effective date of January 1, 2015: 36598, 77014, 77750, 77761, 77762, 77763, 77778, 77789, 77790, 77799, 79005, 79101, 79445, and L5969.								X	
10163.2	For claims processed on or after the implementation of the October 2017 release on October 2, 2017, for 2015, the CWF shall add the following HCPCS codes to File #1 - Physician Services for SNF Consolidated Billing with an effective date of January 1, 2015: 77776, 77777, 77785, 77786, and 77787.								X	
10163.3	The Medicare contractor shall update Major Category III.C. Radioisotope Services for the Part A MAC file as follows: ADD (effective 1/1/2016) – 77770, 77771 and 77772 REMOVE (effective 12/31/2015) – 77785, 77786 and 77787								X	
10163.4	When brought to their attention, for claims with dates of service on or after January 1, 2015 that have previously been denied/rejected prior to the implementation of this CR, contractors shall re-open and re-process the claims.	X	X							

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E	C E D I
		A	B	H H H		
10163.5	MLN Article: A provider education article related to this instruction will be	X	X			

Number	Requirement	Responsibility				
		A/B MAC			D M E	C E D I
		A	B	H H H	M A C	
	available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within 5 business days after receipt of the notification from CMS announcing the availability of the article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Leslie Trazzi, 410-786-7544 or Leslie.Trazzi@cms.hhs.gov, Mark Baldwin, mark.baldwin@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0