CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 4143	Date: October 5, 2018
	Change Request 10981

# SUBJECT: 2019 Annual Update of Healthcare Common Procedure Coding System (HCPCS) Codes for Skilled Nursing Facility (SNF) Consolidated Billing (CB) Update

**I. SUMMARY OF CHANGES:** Changes to HCPCS codes and Medicare Physician Fee Schedule designations will be used to revise Common Working File (CWF) edits to allow A/B Medicare Administrative Contractors (MACs) to make appropriate payments in accordance with policy for SNF CB in Chapter 6, Section 110.4.1 for A/B MACs (B) and Chapter 6, Section 20.6 for A/B MACs (A).

## **EFFECTIVE DATE: January 1, 2019**

\*Unless otherwise specified, the effective date is the date of service. IMPLEMENTATION DATE: January 7, 2019

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 Common Working File (CWF) currently has edits in place for claims received for beneficiaries in a Part A covered SNF stay, as well as for beneficiaries in a non-covered stay. These edits allow only those services that are excluded from consolidated billing to be separately paid. Barring any delay in the Medicare Physician Fee Schedule, the new code files will be provided to CWF by November 1, 2018.

**For A/B MAC (B) processing only:** As soon as possible after the final Medicare Physician Fee Schedule is released, new code files will be posted to the Centers for Medicare & Medicaid Services (CMS) Web site at: http://www.cms.gov/SNFConsolidatedBilling/.

**For A/B MAC (A) processing only:** By the first week in December 2018, new code files will be posted to the CMS Web site at: http://www.cms.gov/SNFConsolidatedBilling/. It is **important and necessary** for the provider/contractor community to view the "General Explanation of the Major Categories" file located at the bottom of each year's update in order to understand the Major Categories including additional exclusions not driven by HCPCS codes.

B. Policy: Changes to HCPCS codes and Medicare Physician Fee Schedule designations will be used.

# II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility										
		A/B					D		Sha			Other
		MAC M E		MAC		I System Maintainers						
		٨			E							
		A	В	H H	Μ	F I		V M				
				Н	Α	S		S	F			
					С	S						
10981.1	The CWF contractor shall accept new A/B MAC (B)								Х			
	and A/B MAC (A) SNF coding files and process SNF											
	CB claims for dates of service on or after January 1,											
	2019 through December 31, 2019 using these files.											
10981.2	The CWF contractor shall add/term HCPCS codes,								Х			
	with retroactive effective and/or termination dates, for											
	applicable SNF coding files when identified by CMS.											
10981.3	The CWF contractor shall compare the new A/B								Х			

Number	Requirement	Responsibility										
			A/B D MAC M E		MAC M System							Other
		A	В	H H H	M A C	F I S S		V M S	$\sim$			
	MAC (A) code list for Major Categories I-V to the codes in the current edit. Codes that appear on the new list, but not in the current edit, shall be added to the edit.											
10981.4	After comparing all codes on the new edit lists to those in the current edits, the CWF contractor shall provide CMS with a list of codes by edit that were formerly on the edits, but do not appear on the new code lists.								X			
10981.5	The CWF contractor shall delete codes from the edits per CMS' determination.								X			
10981.6	Medicare contractors shall continue to respond to rejects and unsolicited responses received from CWF per current methodology.	X	X	X	X							

# **III. PROVIDER EDUCATION TABLE**

Number	Requirement	Re	espoi	nsibil	ity	
			A/I MA		D M E	C E D
		A	В	H H H	M A C	Ι
10981.7	MLN Article: CMS will make available an MLN Matters provider education article that will be marketed through the MLN Connects weekly newsletter shortly after the CR is released. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1, instructions for distributing MLN Connects information to providers, posting the article or a direct link to the article on your website, and including the article or a direct link to the article in your bulletin or newsletter. You may supplement MLN Matters articles with localized information benefiting your provider community in billing and administering the Medicare program correctly. Subscribe to the "MLN Matters" listserv to get article release notifications, or review them in the MLN Connects weekly newsletter.	X	X	X	X	

# IV. SUPPORTING INFORMATION

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

X-Ref Requirement Number	Recommendations or other supporting information:
	N/A

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

#### **V. CONTACTS**

**Pre-Implementation Contact(s):** Birdgitte Davis-Hawkins, 410-786-4573 or bridgitte.davis-hawkins@cms.hhs.gov (Part B), Valeri Ritter, 410-786-8652 or valeri.ritter@cms.hhs.gov

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

#### **VI. FUNDING**

#### Section A: 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.

#### **ATTACHMENTS: 0**