

Program Memorandum Carriers

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal B-03-068

Date: AUGUST 22, 2003

CHANGE REQUEST 2858

SUBJECT: 2004 Annual Update for Skilled Nursing Facility (SNF) Consolidated Billing for the Common Working File (CWF) and Medicare Carriers

I. GENERAL INFORMATION

A. Background:

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 only allow services that are excluded from consolidated billing to be separately paid by the carrier.

B. Policy:

Changes to Healthcare Common Procedure Coding System codes and Medicare Physician Fee Schedule designations will be used to revise CWF edits to allow carriers to make appropriate payments in accordance with policy for SNF consolidated billing in Part 3, Section 4210 of the Medicare Carriers Manual.

II. BUSINESS REQUIREMENTS

Requirement #	Requirements	Responsibility
1	Barring any delay in the Medicare Physician Fee Schedule, the new code files will be provided to CWF by November 1, 2003.	CMS
2	The CWF contractor must compare the new code list for category 75 to the codes in the current edit. Codes that appear on the new list, but not in the current edit, must be added to the edit.	CWF contractor
3	The CWF contractor must compare the new code list for codes that require the 26 modifier to the codes in the current edit. Codes that appear on the new list, but not in the current edit, must be added to the edit.	CWF contractor
4	The CWF contractor must compare the new code list for ambulance codes to the codes in the current edit. Codes that appear on the new list, but not in the current edit, must be added to the edit.	CWF contractor
5	The CWF contractor must compare the new code list for the Part B therapy codes to the codes in the current edit. Codes that appear on the new list, but not in the current edit, must be added to the edit.	CWF contractor
6	After it has compared all codes on the new edit list to those in the current edits, the CWF contractor must provide CMS with a list of codes by edit that were formerly on the edits, but do not appear on the new code lists.	CWF contractor

II. BUSINESS REQUIREMENTS (Cont.)

7	CMS will make a determination as to which codes should be deleted from which edits. This mechanism will allow for any changes in professional component/technical component designations to be correctly coded for edits and for deleted codes and codes no longer valid for Medicare purposes as of January 1, 2004, to continue to pay correctly for prior dates of service.	CMS
8	CMS will respond to the list provided by the CWF contractor and provide the determination on the codes to the CWF contractor.	CMS
9	The CWF contractor will delete codes from the edits per the CMS determination.	CWF contractor
10	Carriers must continue to respond to rejects and unsolicited responses received from CWF per current methodology.	Carriers
11	Carriers must reopen and reprocess any claims brought to their attention for services that prior to this update were mistakenly not considered to be excluded from consolidated billing and therefore, not separately payable. Carriers need not search claims history to identify these claims.	Carriers
12	By the first week in December 2003, new codes files will be posted to the CMS Web site at www.cms.hhs.gov/medlearn/snfcode.asp .	CMS
13	<p>You shall inform affected physician, non-physician practitioner, and supplier communities by posting the following language on your Web site within two weeks of the issuance date of this instruction. In addition, this same language shall be published in your next regularly scheduled bulletin. If you have a listserv that targets the affected provider communities, you must use it to notify subscribers that information is available about the 2004 Annual Update for Skilled Nursing Facility Consolidated Billing.</p> <p>“The coding files for skilled nursing facility consolidated billing will be updated effective January 1, 2004. These updates will appear on the CMS Web site at cms.hhs.gov/medlearn/snfcodes.asp on or about December 1, 2003. In order to correctly bill services, physicians, non-physician practitioners, and suppliers should carefully review the revised codes files.”</p>	Carriers

III. 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

IV. ATTACHMENT(S) – None

<p>Implementation Date: 1/1/04</p> <p>Discard Date: 12/31/04</p> <p>Post-Implementation Contact: The appropriate Regional Office.</p>	<p>Effective Date: 1/1/04</p> <p>Funding: These instructions should be implemented within your current operating budget.</p> <p>Pre-Implementation Contact: See CR form.</p>
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