



National Provider Identifier (NPI) News – Medicare is now asking that submitters send a small number of claims using only the NPI. If no claims are rejected, the submitter can gradually increase the volume. Additional information can be found at the CMS NPI website at <http://www.cms.hhs.gov/NationalProvIdentStand/>.

MLN Matters Number: MM5532

Related Change Request (CR) #: 5532

Related CR Release Date: June 29, 2007

Effective Date: July 30, 1999

Related CR Transmittal #: R73BP

Implementation Date: October 1, 2007

Update to *Medicare Benefit Policy Manual*, (Publication 100-02), Chapter 8, Coverage of Extended Care Services under Hospital Insurance

Provider Types Affected

Skilled Nursing Facilities (SNF) who bill fiscal intermediaries (FI) or Medicare Administrative Contractors (A/B MACs) for physical therapy, occupational therapy, or speech-language pathology services to Medicare beneficiaries.

Provider Action Needed



STOP – Impact to You

For skilled nursing facility (SNF) furnished services, including physical or occupational therapy or speech-language pathology services, to be covered, an initial therapy evaluation must take place within the SNF or your fiscal intermediary or A/B MAC will deny the claim under the SNF benefit.



CAUTION – What You Need to Know

CR 5532, from which this article is taken revises the *Medicare Benefit Policy Manual*, Chapter 8, Section 30.4.1.1 to clarify that the initial therapy evaluation must be performed in the SNF. If the initial therapy evaluation in the medical record is dated prior to the first day of the SNF admission or readmission, the claim for SNF benefits will be denied.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.



GO – What You Need to Do

Make certain that all SNF-related therapy evaluations are performed during the beneficiary's SNF stay, and that this is appropriately documented. Please see the Background section for more details.

Background

Section 1861(h) of the Social Security Act defines certain services (including physical or occupational therapy or speech-language pathology services) that a SNF (or others under arrangements with the SNF) furnishes to its beneficiaries, to be covered under the Extended Care Benefit. To be covered, the care provided to the SNF beneficiary must meet the requirements set forth in 42 C.F.R. 409 Subpart D.

CR 5532, from which this article is taken, re-emphasizes this requirement and clarifies *Medicare Benefit Policy Manual*, Chapter 8 (Coverage of Extended Care (SNF) Services Under Hospital Insurance), Section 30.4.1.1 (General) to state (as previously announced in the SNF PPS final rule for FY 2000, (FR 41662, July 30, 1999)) that, in order to for services to be covered under the SNF benefit, the associated initial therapy evaluation of a beneficiary must take place in the SNF.

This means that you cannot use an evaluation that was performed, for instance, in the acute care or rehabilitation hospital settings as the therapy evaluation of the beneficiary in the SNF, because the beneficiary's status must be evaluated as he or she presents in the SNF setting. Note that the cost of an initial therapy evaluation in the SNF is included in the SNF Prospective Payment System (PPS) payment made for SNF covered services.

Notes: Your FI or A/B MAC will:

1) Deny claims for SNF services when the first three alpha characters of the HIPPS rate code are RHA, RHB, RHC, RHL, RHX, RLA, RLB, RLX, RMA, RMB, RMC, RML, RMX, RUA, RUB, RUC, RUL, RUX, RVA, RVB, RVC, RVL, or RVX; and a review of the medical record finds that an initial evaluation for therapy services is dated prior to the first day of covered care upon admission and or readmission.

2) Not search its files for claims already processed involving the provision of therapy services to determine if an initial evaluation was provided following admission or readmission, except when a claim is brought to its attention.

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Additional Information

You can find more information about SNF-related therapy evaluations by going to CR 5532, located at

<http://www.cms.hhs.gov/Transmittals/downloads/R73BP.pdf> on the CMS website. You will find revised *Medicare Benefit Policy Manual*, Chapter 8 (Coverage of Extended Care (SNF) Services Under Hospital Insurance), Section 30.4.1.1 (General) as an attachment to the CR.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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