CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 696

Department of Health & Human Services (DHHS)

Centers for Medicare & Medicaid Services (CMS)

Date: OCTOBER 7, 2005 Change Request 4086

SUBJECT: 2006 Annual Update of HCPCS Codes for Skilled Nursing Facility (SNF) Consolidated Billing (CB) for the Common Working File (CWF), Medicare Carriers and Fiscal Intermediaries (FIs)

I. SUMMARY OF CHANGES: The 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.

NEW/REVISED MATERIAL

EFFECTIVE DATE: January 01, 2006

IMPLEMENTATION DATE: January 03, 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/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
R	6/Table of Contents
N	6/20.6/SNF CB Annual Update Process for Fiscal Intermediaries (FIs)

III. FUNDING:

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

Recurring Update Notification

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

Attachment – Recurring Update Notification

Pub. 100-04 Transmittal: 696 Date: October 7, 2005 Change Request: 4086

SUBJECT: 2006 Annual Update of HCPCS Codes for Skilled Nursing Facility (SNF) Consolidated Billing (CB) for the Common Working File (CWF), Medicare Carriers and Fiscal Intermediaries (FIs)

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 and\or FI. Barring any delay in the Medicare Physician Fee Schedule, the new code files will be provided to CWF by November 1, 2005.

For Carrier processing only: By the first week in December 2005, new code files will be posted to the CMS Web site at: www.cms.hhs.gov/medlearn/snfcode.asp.

For FI processing only: By the first week in December 2005, new Excel and PDF files will be posted to the CMS Web site under the "2006 Annual and Quarterly Updates" section at: http://www.cms.hhs.gov/providers/snfpps/snffi/. It is **important and necessary** for the provider/contractor community to view the "General Explanation of the Major Categories" bullet located under each Annual update bullet, at the above link, in order to understand the Major Categories including additional exclusions not driven by HCPCS codes.

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 and FIs to make appropriate payments in accordance with policy for SNF consolidated billing in Chapter 6, Section 110.4.1 for Carriers and Chapter 6, Section 20.6 for FIs.

II. BUSINESS REQUIREMENTS

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

Kequirement	Requirements	Responsibility ("A" indicates the									
Number		columns that apply)									
		F	R	С	D	Shai	red S	yste	m	Other	
		I	Н	a	M	Mai	ntair	ners			
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Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		F I	R H	Ca	D M	Shared System Maintainers			em	Other
			H I	r r i e r	E R C	F I S S	M C S	V M S	C W F	
4086.1	The CWF contractor shall compare the new Carrier 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, shall be added to the edit.								X	
4086.2	The CWF contractor shall compare the new Carrier 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, shall be added to the edit.								X	
4086.3	The CWF contractor shall compare the new Carrier 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, shall be added to the edit.								X	
4086.4	The CWF contractor shall compare the new Carrier 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, shall be added to the edit.								X	
4086.5	The CWF contractor shall compare the new FI 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.								X	
4086.6	After it has compared 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	
4086.7	The CWF contractor will delete codes from the edits per the CMS determination.								X	
4086.8	Carriers and FIs shall continue to respond to rejects and unsolicited responses received from CWF per current methodology.	X		X						

Requirement	Requirements	Responsibility ("X" indicates the												
Number		co	lum	ns 1	that	app	oly)							
		F I	I H a N		I H a	I H a M		D M E	a M	Mai	red S intair	•		Other
			Ι	I r I	R C	F I S S	M C S	V M S	C W F					
4086.9	Carriers and FIs shall 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 and FIs need not search claims history to identify these claims. Any of these changes will be listed on the web sites.	X		X										

III. PROVIDER EDUCATION

Requirement	Requirements	Responsibility ("X" indicates the			es the					
Number		co	lum	ns 1	that	t apply)				
		F R C D					red S		em	Other
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			I	r	R	F	M		_	
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4006.10	A 11 1 (1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	37		r						
4086.10	A provider education article related to this instruction will be available at	X		X						
	www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive									
	notification of the article release via the									
	established "medlearn matters" listsery.									
	Contractors shall post this article, or a direct									
	link to this article, on their Web site and include									
	information about it in a listsery message within									
	1 week of the availability of the provider									
	education article. In addition, the provider									
	education article shall be included in your next									
	regularly scheduled bulletin and incorporated									
	into any educational events on this topic.									
	Contractors are free to supplement Medlearn									
	Matters articles with localized information that									
	would benefit their provider community in									
	billing and administering the Medicare program									
	correctly. (NOTE: The Medlearn Matters									

Requirement	Requirements	Responsibility ("X" indicates the							
Number		co	columns that apply)						
		F I	R H H I	C a r r i e r	D M E R C	Shared Mainta F M I C S S S	iners	С	Other
	article must just focus on the release of updated coding files effective January 1, 2006. Specific business requirements need not be included.)								

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

Effective Date*: January 1, 2006 Implementation Date: January 3, 2006	No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating
Pre-Implementation Contact(s): April Billingsley,	budgets.
April.Billingsley@cms.hhs.gov for carrier billing;	
Jason Kerr, <u>Jason.Kerr@cms.hhs.gov</u> for FI billing.	
Post-Implementation Contact(s): The appropriate	
regional office	

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

Medicare Claims Processing Manual

Chapter 6 - SNF Inpatient Part A Billing

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(Rev. 696, 10-07-05)

20.6 – SNF CB Annual Update Process for Fiscal Intermediaries (FIs)

20.6 – SNF CB Annual Update Process for Fiscal Intermediaries (FIs)

(Rev. 696, Issued: 10-07-05; Effective: 01-01-06; Implementation: 01-03-06)

Barring any delay in the Medicare Physician Fee Schedule, CMS will provide the new Annual Update code file to CWF by November 1. Should this date change, CWF will be notified through the appropriate mechanism.

The CWF contractor must compare the new code list for Major Categories I through V to the codes in the current edits. Codes that appear on the new list, but not in the current edit, must be added to the edit.

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 the end of the calendar year, to continue to pay correctly for prior dates of service.

CMS will respond to the list provided by the CWF contractor and provide the determination on the codes to the CWF contractor.

The CWF contractor will delete codes from the edits per the CMS determination.

FIs must continue to respond to rejects and unsolicited responses received from CWF per current methodology. FIs must reopen and reprocess any claims brought to their attention for services that prior to this update were mistakenly considered to be subject to consolidated billing and therefore, not separately payable. FIs need not search claims history to identify these claims. Prior to January 1 of each year, a new code file will be posted to the CMS Web site at: http://www.cms.hhs.gov/providers/snfpps/snffi/. Should this date change, FIs will be notified through the appropriate mechanism.

Coding changes throughout the year may also be made as necessary through a quarterly update process.

As soon as the new code file is posted to the CMS Web site, through their Web sites and list serves, FIs must notify providers of the availability of the new file.