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Charges to Hold a Bed during Skilled Nursing Facility (SNF) Absence

Provider Types Affected

Skilled Nursing Facilities (SNFs) submitting claims to Medicare contractors (Fiscal Intermediaries (FIs), and/or Part A/B Medicare Administrative Contractors (A/B MACs)) for SNF services provided to Medicare beneficiaries.

What You Need to Know

This article is based on Change Request (CR) 6030 which describes the policies relating to bed-hold payments in a SNF by updating the Medicare Claims Processing Manual (Chapter 1 (General Billing Requirements), Section 30.1 (Charges to Hold a Bed during SNF Absence)).

Background

Charges to a beneficiary for admission or readmission to a Skilled Nursing Facility (SNF) are not allowable. However, when temporarily leaving a SNF, a resident can choose to make bed-hold payments to the SNF. Under the Social Security Act (Section 1819(c)(1)(B)(iii); (see http://www.ssa.gov/OP_Home/ssact/title18/1819.htm on the internet) and the Code of Federal Regulations (42 CFR §483.10(b)(5)-(6), a SNF must inform residents in advance of their option to make bed-hold payments, as well as the amount of the facility's charge.

Note that SNFs, but not hospitals, may bill the beneficiary for holding a bed during a leave of absence if Medicare requirements are met.

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Bed-hold payments are readily distinguishable from payments made prior to initial admission, in that the absent individual has already been admitted to the facility and has established residence in a particular living space within it. Similarly, bed-hold payments are distinguishable from payments for readmission, in that the latter compensate the facility merely for agreeing in advance to allow a departing resident to reenter the facility upon return, while bed-hold payments represent remuneration for the privilege of actually maintaining the resident's personal effects in the particular living space that the resident has temporarily vacated.

One indicator that post-admission payments do, in fact, represent permissible bed-hold charges related to maintaining personal effects in a particular living space (rather than a prohibited charge for the act of readmission itself) would be that the charges are calculated on the basis of a per diem bed-hold payment rate multiplied by however many days the resident is absent, as opposed to assessing the resident a fixed sum at the time of departure from the facility.

Under §1819(c)(1)(B)(iii) of the Act and 42 CFR 483.10(b)(5)-(6), the facility must inform residents in advance of their option to make bed-hold payments, as well as the amount of the facility's charge. For these optional payments, the facility should make clear that the resident must affirmatively elect to make them prior to being billed. A facility cannot simply deem a resident to have opted to make such payments and then automatically bill for them upon the resident's departure from the facility."

See Chapter 30 of the Medicare Claims Processing Manual for related notification requirements. That chapter is available at <http://www.cms.hhs.gov/manuals/downloads/clm104c30.pdf> on the CMS website.

Additional Information

The official instruction, CR 6030, issued to your FI or A/B MAC regarding this change may be viewed at <http://www.cms.hhs.gov/Transmittals/downloads/R1522CP.pdf> on the Centers for Medicare & Medicaid Services (CMS) website. The revised section of the Medicare Claims Processing Manual is attached to CR6030.

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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