
CMS Manual System

Pub. 100-04 Medicare Claims Processing

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

Transmittal 90

Date: February 6, 2004

CHANGE REQUEST 2944

I. SUMMARY OF CHANGES: This CR adds a new CWF edit to section 110 which is in the process of being established in Chapter 6, SNF Inpatient Part A Billing. Certain therapy services when provided to a beneficiary in a skilled nursing facility stay can be separately payable when performed by physicians, but must be bundled into the prospective payment system payment when performed by physical and occupational therapists. The new edit will prevent incorrect payment.

NEW/REVISED MATERIAL - EFFECTIVE DATE: July 1, 2004

***IMPLEMENTATION DATE: July 6, 2004**

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.

II. CHANGES IN MANUAL INSTRUCTIONS:

(R = REVISED, N = NEW, D = DELETED –

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	6/110/2.6/Table of Contents
N	6/110/2.6/Edit for Therapy Services Separately Payable When Furnished by a Physician

*III. FUNDING:

These instructions should be implemented within your current operating budget.

IV. ATTACHMENTS:

X	Business Requirements
X	Manual Instruction
	Confidential Requirements
	One-Time Special Notification
	Recurring Update Notification

***Medicare contractors only**

Attachment - Business Requirements

Pub. 100-04	Transmittal: 90	Date: February 6, 2004	Change Request 2944
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SUBJECT: Implementation of Skilled Nursing Facility Consolidated Billing CWF Edit for Therapy Codes Considered Separately Payable Physician Services

I. GENERAL INFORMATION

A. Background: N/A

B. Policy: Physical, occupational, and speech therapy are considered bundled services paid under the Prospective Payment System, through consolidated billing when provided to beneficiaries in either a Part A covered skilled nursing facility (SNF) stay or during a non-covered stay. A small number of these services are considered surgery when performed by a physician and may be separately paid by the carrier. They are considered therapy when performed by a physical and occupational therapists and continue to be subject to consolidated billing.

C. Provider Education: Carriers shall inform affected providers by posting either a summary or relevant portions of this document on their Web site within two weeks. Also, carriers shall publish this same information in their next regularly scheduled bulletin. If they have a listserv that targets affected providers, they shall use it to notify subscribers that information about SNF consolidated billing is available on their Web site.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement #	Requirements	Responsibility
2944-1	Effective for claims with dates of service on or after July 1, 2004, the Common Working File (CWF) shall only allow the following codes to pay separately for beneficiaries in a Part A SNF stay when provided by a provider specialty other than 65 - Physical Therapist in Private Practice, 67 – Occupational Therapist in Private Practice, 88 – Unknown Supplier/Provider: 29065, 29075, 29085, 29086, 29105, 29125, 29126, 29130, 29131, 29200, 29220, 29240, 29260, 29280, 29345, 29365, 29405, 29445, 29505, 29515, 29520, 29540, 29550, 29580, 29590, 64550	CWF
2944-1.1	CWF will return an existing error code for this	CWF

	edit.	
2944-2	Effective for claims with dates of service on or after July 1, 2004, CWF shall only allow the codes listed in requirement 2944-1 to pay separately for beneficiaries in a Part B SNF stay when provided by a provider specialty other than 65 - Physical Therapist in Private Practice, 67 – Occupational Therapist in Private Practice, 88 – Unknown Supplier/Provider.	CWF
2944-2.1	CWF shall return the same error code as in requirement 2944-1.1 for this edit.	CWF
2944-3	Carriers shall follow current procedures for the resolution of CWF rejects and unsolicited responses.	Carriers
2944-4	<p>Carriers shall use the following remittance advice (RA) and revised Medicare Summary Notice (MSN) when they receive the error code from CWF.</p> <p>RA - Report claim adjustment reason code 96 – Non-covered charges; and</p> <p>Remark Code N121 – No coverage for items or services by this type of practitioner for patients in a covered Skilled Nursing Facility (SNF) stay.</p> <p>MSN</p> <p>Revised 13.10 – Medicare Part B does not pay for items or services provided by this type of practitioner since our records show that you were receiving Medicare benefits in a skilled nursing facility on this date.</p> <p>Revised Spanish 13.10 - La Parte B de Medicare no paga por artículos o servicios provistos por este tipo de médico ya que nuestros expedientes indican que usted estaba recibiendo beneficios de Medicare en una institución de enfermería especializada en esta fecha.</p>	Carriers
2944-5	By two weeks from the date of this transmittal, carriers shall remind providers to review the explanation of this policy on the CMS website	Carriers

	at www.cms.hhs.gov/medlearn/snfcode.asp through: provider listserves, on websites where the information shall remain for 120 days after posting, and in their next regularly scheduled bulletins.	
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II. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: None.

X-Ref Requirement #	Instructions

B. Design Considerations: None.

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: None.

D. Contractor Financial Reporting /Workload Impact: None.

E. Dependencies: None.

F. Testing Considerations: None.

IV. SCHEDULE, CONTACTS, AND FUNDING

Effective Date: July 1, 2004 Implementation Date: July 6, 2004 Pre-Implementation Contact(s): See CR form. Post-Implementation Contact(s): Regional Office.	These instructions shall be implemented within your current operating budget
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Medicare Claims Processing Manual

Chapter 6 - SNF Inpatient Part A Billing

Table of Contents

(Rev. 90, 2/6/04)

[Crosswalk to Old Manuals](#)

110.2.6 - Edit for Therapy Services Separately Payable When Furnished by a Physician

110.2.6- Edit for Therapy Services Separately Payable When Furnished by a Physician ***(Rev. 90, 2/6/04)***

A number of therapy services are considered separately payable when provided by a physician and shall be paid separately by the Medicare carrier. However, these services are considered therapy when provided by a physical or occupational therapist; will be subject to consolidated billing; and payment for them is included in the prospective payment rate provided to the SNF by the FI.

Effective for claims with dates of service on or after July 1, 2004, edits will be implemented in the claims processing system to correctly process claims for these services. A complete list of these services can be found on the CMS website at www.cms.gov/medlearn/snfcode.asp.