CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1814	**Date: September 4, 2009**
	Change Request 6619

Subject: 2010 Annual Update of Healthcare Common Procedure Code System (HCPCS) Codes for Skilled Nursing Facility (SNF) Consolidated Billing (CB) Update

I. SUMMARY OF CHANGES: Changes to HCPCS 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/A/B MACs and Chapter 6, Section 20.6 for FIs/A/B MACs.

New / Revised Material
***Effective Date: January 1, 2010**
Implementation Date: January 4, 2010

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: R=REVISED, N=NEW, D=DELETED

R/N/D	Chapter / Section / Subsection / Title
R	6/Table of Contents
R	6.20.6/SNF CB Annual Update Process for Fiscal Intermediaries (FIs)/A/B MACs

III. FUNDING:
SECTION A: For Fiscal Intermediaries and Carriers:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

SECTION B: For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:
Manual Instruction
Recurring Update Notification
**Unless otherwise specified, the effective date is the date of service.*

Attachment – Recurring Update Notification

Pub. 100-04	Transmittal: 1814	Date: September 4, 2009	Change Request: 6619

SUBJECT: 2010 Annual Update of Healthcare Common Procedure Coding System (HCPCS) Codes for Skilled Nursing Facility (SNF) Consolidated Billing (CB) Update

Effective Date: January 1, 2010

Implementation Date: January 4, 2010

I. GENERAL INFORMATION

The Common Working File (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 allow only those services that are excluded from consolidated billing to be separately paid. Barring any delay in the Medicare Physician Fee Schedule, the new code files will be provided to CWF by November 1, 2009.

A. Background:

For Carrier/A/B MAC processing only: By the first week in December 2009, new code files will be posted to the CMS Web site at: http://www.cms.hhs.gov/SNFConsolidatedBilling/ .

For FI/A/B MAC processing only: By the first week in December 2009, new Excel and PDF files will be posted to the CMS Web site at: http://www.cms.hhs.gov/SNFConsolidatedBilling/ . It is **important and necessary** for the provider/contractor community to view the "General Explanation of the Major Categories" pdf file located at the bottom of each year's update in order to understand the Major Categories including additional exclusions not driven by HCPCS codes.

B. Policy: Changes to HCPCS 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/A/B MACs and Chapter 6, Section 20.6 for FIs/A/B MACs.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement

Number	Requirement	Responsibility									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
							FISS	MCS	VMS	CWF	
6619.1	The CWF contractor shall accept new Carrier/A/B MAC and FI/A/B MAC SNF coding files and process SNF CB claims for dates of service on or after January 1, 2010 through December 31, 2010 using these files.									X	
6619.2	The CWF contractor shall compare the new **FI/A/B MAC**									X	

	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.										
6619.3	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	
6619.4	The CWF contractor shall delete codes from the edits per the CMS determination.									X	
6619.5	Medicare contractors shall continue to respond to rejects and unsolicited responses received from CWF per current methodology.	X	X	X	X						

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
							FISS	MCS	VMS	CWF	
6619.6	A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X	X	X	X						

IV. SUPPORTING INFORMATION

A. Recommendations and supporting information associated with listed requirements:
"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
	N/A

B. For all other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Jason Kerr, Jason.Kerr@cms.hhs.gov (for FI/A/B MAC Billing) or April Billingsley; April.Billingsley@cms.hhs.gov (for Carrier/A/B MAC Billing).

Post-Implementation Contact(s): Appropriate Regional Office. http://www.cms.hhs.gov/MyHealthMyMedicare/Downloads/regionalmap.pdf or Medicare Administrative Contractor Project Officer

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs), Carriers, and Regional Home Health Intermediaries (RHHIs)*:

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

Section B: *For Medicare Administrative Contractors (MACs)*:

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

Medicare Claims Processing Manual

Chapter 6 - SNF Inpatient Part A Billing and SNF Consolidated Billing

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Table of Contents
(Rev. 1814, 09-04-09)

20.6 - SNF CB Annual Update Process for Fiscal Intermediaries (FIs)*/A/B MACs*

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(Rev .1814, Issued: 09-04-09, Effective: 01-01-10, Implementation: 01-04-10)

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 shall 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, shall 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/*A/B MACs shall* continue to respond to rejects and unsolicited responses received from CWF per current methodology. FIs/*A/B MACs* shall 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/*A/B MACs* 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/SNFConsolidatedBilling/. Should this date change, FIs/*A/B MACs* 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 /*AB/MACs* shall notify providers of the availability of the new file.