

**SNF's Notice to a Physician Treating a Beneficiary in a Medicare Part A Stay  
(Sample Notification #3)**

Name/Address of SNF

[DATE]

RE: [Resident's Name/Centers]

Dear [NAME]:

[Resident's Name] is currently under a Part A stay at our nursing center. Under consolidated billing, we are aware that as a skilled nursing facility (SNF), we are responsible for managing the care and services our residents receive and that some services should be billed to the SNF even when rendered outside of our facility or by outside suppliers in our facility.

The following guidelines have been established in an effort to meet our residents' needs and effectively manage this process:

1. We are able to provide the following services at the center prior to or after your visit with the resident. Whenever possible, we ask that you arrange these services with us and we will ensure all results are reported to your office.

Services include:

- Radiology
  - Laboratory
  - Pharmacy
  - [any other service the SNF provides]
2. We recognize that there will be occasions when you need to perform certain basic diagnostic tests in order to complete your assessment and determine a course of treatment. When required during the course of the visit, these services will be reimbursed in the same manner as services described in Number 5 (below).
  3. Consolidated billing regulations apply to emergency care and certain high level diagnostic services such as emergency room care; cardiac catheterization; computerized axial tomography (CT) scans; magnetic resonance imaging (MRIs); ambulatory surgery involving the use of an operating room (including PEG tube removal, replacement, and insertion); radiation therapy; angiography; and certain lymphatic and venous procedures. A complete list of consolidated billing exclusions can be found at the Centers for Medicare & Medicaid Services (CMS) annual and quarterly updates of HCPCS codes used for SNF consolidated billing at [www.cms.hhs.gov/provider/snfpps/snfpps\\_pubs.asp](http://www.cms.hhs.gov/provider/snfpps/snfpps_pubs.asp).
    - a. In cases where one or more of these services are needed immediately, the Supplier of Services may arrange for an immediate referral to a hospital outpatient department.

- b. When such services need to be furnished in a setting other than an outpatient hospital, the Supplier of Services must coordinate the referral with the SNF. The Supplier of Services may not schedule such high level tests at a freestanding clinic or imaging center without written SNF approval. (In such cases where immediate treatment is required, written approval may be provided in a fax.)
  - c. In cases where one or more of these services are needed immediately, but cannot be furnished through a hospital outpatient department, please contact our facility to coordinate the referral.
  - d. When additional diagnostic tests are needed prior to a follow-up visit, the SNF will arrange for such services on behalf of the Supplier of Services or, at the SNF's option, may otherwise coordinate such tests with the Supplier of Services.
4. In addition, certain chemotherapy agents, radioisotopes and chemotherapy administration services are excluded from consolidated billing and may be billed directly to Medicare regardless of where the services were provided. However, other services furnished in conjunction with a chemotherapy or radioisotope treatment (except for the professional component) are subject to consolidated billing and must be billed to the SNF.
5. For any services rendered under consolidated billing such that we should be billed, we will process and pay invoices at \_\_\_\_\_ [specify payment arrangement – Typically, payment is tied to the Medicare fee schedule]. Bills received for services must contain the following information in order to be processed timely: Patient Name, Dates of Services, HCPCS codes, Description of Services rendered. For the most expedient processing, charges should be in the form of the Medicare fee schedule.
6. If the invoice provides a Medicare fee schedule, the above calculation will be applied; however, if no fee schedule is provided, the fee schedule will be determined by the most recent fee schedule available to us at the time of processing. [Optional – can be used when the payment arrangement is tied to the Medicare fee schedule amounts.]

We value your services and hope that you understand our need to manage this process accordingly. We look forward to a continued relationship with you. If you have questions or concerns, please contact **[INSERT Center Contact]** at **[phone number]**.

Sincerely,

**[NAME]**