CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-02 Medicare Benefit Policy	Centers for Medicare & Medicaid Services (CMS)
Transmittal 89	**Date: MAY 16, 2008**
	Change Request 5991

SUBJECT: Medical and Other Health Services Furnished to SNF Patients

I. SUMMARY OF CHANGES: CMS is eliminating the word "outpatients" that appears at the end of the first paragraph of Chapter 8, section 70 to avoid confusion regarding coverage.

New / Revised Material
Effective Date: June 16, 2008
Implementation Date: June 16, 2008

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

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	8/70/Medical and Other Health Services Furnished to SNF Patients

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:

Business Requirements

Manual Instruction

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

Attachment - Business Requirements

Pub. 100-02	Transmittal: 89	Date: May 16, 2008	Change Request: 5991

SUBJECT (Change Request Title): Medical and Other Health Services Furnished to SNF Patients

Effective Date: **June 16, 2008**
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I. GENERAL INFORMATION

A. Background: Section 1861(s) of the Social Security Act provides for the coverage of Medical and Other Health Services that are paid through Medicare Part B, including the provision of outpatient physical therapy services and outpatient occupational therapy services. The definition of outpatient physical therapy found in Section 1861(p) also includes speech language pathology services furnished by a provider of services. Accordingly, outpatient physical and occupational therapy and outpatient speech language pathology services may be provided by a SNF to its "outpatients," i.e., to those of its own patients in their homes, to patients who come to the facility's outpatient department, or to inpatients of other institutions, as well as to inpatients who have exhausted their Part A benefits or who are not otherwise eligible for Part A benefits. None of the other services outlined in Pub. 100-02, Medicare Benefit Policy Manual, Chapter 8, §70 can be provided to SNF residents on an outpatient basis.

B. Policy: SNFs may furnish physical therapy, occupational therapy, or speech language pathology services to their inpatients without having to set up facilities and procedures for furnishing the same services to outpatients. However, if the SNF chooses to furnish a particular service, the SNF is bound by its Medicare provider agreement not to charge any individual or other person for items or services for which the individual is entitled to have payment made under the program. Thus, whenever a SNF furnishes outpatient physical therapy, occupational therapy or speech language pathology services to a Medicare beneficiary (either directly or under an arrangement), the SNF must bill the program under Part B and may only charge the patient for the applicable deductible and coinsurance. In the case of a distinct part SNF, the certified part must bill the program under Part B for any outpatient physical therapy, occupational therapy, or speech language pathology services that the certified distinct part itself furnishes to inpatients of the non-certified part. (Alternatively, residents of the non-certified part can receive outpatient therapy services from a hospital that exceed the Part B therapy caps, in accordance with Pub. 100-04, Medicare Claims Processing Manual Chapter 7, §10.1.

II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
5991.1	The FI shall ensure that the SNF is properly billing for services provided under Medicare Part B in accordance with Pub. 100-02, Medicare Benefit Policy Manual, Chapter 8, section 70.	x		x							

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
5991.2	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 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. 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							

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below:
Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: For all other recommendations and supporting information, use this space:

V. CONTACTS

Pre-Implementation Contact(s): Julie Stankivic (410) 786-5725

Post-Implementation Contact(s): Julie Stankivic (410) 786-5725

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs), Carriers, and Regional Home Health Carriers (RHHIs)* use only one of the following statements:

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),*** **use the following statement:**

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.

70 - Medical and Other Health Services Furnished to SNF Patients

(Rev. 89; Issued: 05-16-08; Effective/Implementation Date: 06-16-08)

The medical and other health services listed below and described in *Pub. 100-02*, Medicare Benefit Policy Manual, Chapter 6, "Hospital Services Covered Under Part B," §10, are covered under Part B when furnished by a participating SNF either directly or under arrangements to: inpatients who are not entitled to have payment made under Part A (e.g., benefits exhausted or 3-day prior-stay requirement not met).

Services payable under Part B are:

- Diagnostic x-ray tests, diagnostic laboratory tests, and other diagnostic tests;

- X-ray, radium, and radioactive isotope therapy, including materials and services of technicians;

- Surgical dressings, and splints, casts, and other devices used for reduction of fractures and dislocations;

- Prosthetic devices (other than dental) which replace all or part of an internal body organ (including contiguous tissue), or all or part of the function of a permanently inoperative or malfunctioning internal body organ, including replacement or repairs of such devices;

- Leg, arm, back, and neck braces, trusses, and artificial legs, arms, and eyes including adjustments, repairs, and replacements required because of breakage, wear, loss, or a change in the patient's physical condition;

- Outpatient physical therapy, outpatient speech *language* pathology services, and outpatient occupational therapy (see *Pub. 100-02,* Medicare Benefit Policy Manual, Chapter 10, "Covered Medical and Other Health Services," §*220.1.4*);

- Screening mammography services;

- Screening pap smears and pelvic exams;

- Influenza, pneumococcal pneumonia, and hepatitis B vaccines;

- Some colorectal screening;

- Diabetes self-management;

- Prostate screening;

- Ambulance services;

- Hemophilia clotting factors.

- Epoetin Alfa (EPO) for ESRD beneficiaries when given in conjunction with dialysis.

See *Pub. 100-04*, Medicare Claims Processing Manual *Chapter 6,* for information on billing for these services and §70.1 for the conditions under which diagnostic services and radiological therapy furnished by SNFs are covered. For coverage of total parenteral nutrition (TPN) and enteral nutrition (EN) as a prosthetic device, see *Pub. 100-02,* Medicare Benefit Policy Manual, Chapter 6, "Hospital Services Covered Under Part B," and the Medicare National Coverage *Determinations* Manual, *Chapter 1, Part 3 §180.2.*

Rental or purchase of durable medical equipment from SNFs for use in the patient's home is covered under Part B in accordance with the provisions of *Pub. 100-02,* Medicare Benefit Policy Manual, Chapter 6, "Hospital Services Covered Under Part B," §80. DME rendered to inpatients of a SNF is covered as part of the prospective payment system and is not separately payable. For coverage of provider ambulance services, see Pub. *100-02,* Medicare Benefit Policy Manual, Chapter 6, "Hospital Services Covered Under Part B".

Drugs, biologicals, and blood are not covered under Part B when furnished by a SNF.