CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-04 Medicare Claims Processing	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 1355	**Date: OCTOBER 19, 2007**
	Change Request 5734

Subject: National Uniform Billing Committee (NUBC) Update on Revenue Codes and Corrected Skilled Nursing Facility (SNF) Spell of Illness Chart

I. SUMMARY OF CHANGES: The NUBC has discontinued several revenue codes with a "9 - Other" designation. As a result, manual updates to remove the affected codes are included. In addition, a corrected spell of illness chart is included with this transmittal.

New / Revised Material
Effective Date: October 1, 2007
Implementation Date: January 22, 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-*Only One Per Row.*

R/N/D	Chapter / Section / Subsection / Title
R	Chapter 4/20.5.1.1/Packaged Revenue Codes
R	Chapter 6/40.8.1/Spell of Illness Quick Reference Chart

III. FUNDING:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

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

Attachment - Business Requirements

Pub. 100-04	Transmittal: 1355	Date: October 19, 2007	Change Request: 5734

SUBJECT: National Uniform Billing Committee (NUBC) Update on Revenue Codes and Corrected Skilled Nursing Facility (SNF) Spell of Illness Chart

Effective Date: October 1, 2007

Implementation Date: January 22, 2008

I. GENERAL INFORMATION

A. Background: In the process of developing the UB-04 (CMS-1450), the "9 – Other" subcategory codes were reviewed, by NUBC, for necessity, clarity, and redundancy. As a result of the review several "9" codes were designated as reserved for assignment by the NUBC because the "0 – General Classification" codes were deemed sufficient. Specific revenue codes removed include 0599, 0709, 0719, 0749, 0759, 0779, 0789, and 0799.

As a result of NUBC's decision, updates are required to the claims processing manual in order to remove revenue codes 0709 and 0719 from Chapter 4, §20.5.1.1 (Packaged Revenue Codes).

In addition, it was discovered that the SNF spell of illness chart posted in Chapter 6 contained formatting errors. An updated spell of illness chart is included with this transmittal.

B. Policy: N/A

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A/B MAC	DME MAC	FI	CARRIER	DMERC	RHHI	Shared-System Maintainers				OTHER
								FISS	MCS	VMS	CWF	
5734.1	Medicare contractors shall make providers aware of the revenue codes which are discontinued effective October 1, 2007.	X		X								
5734.2	Medicare contractors shall update necessary files with a term date of 9/30/07 for revenue codes 0599, 0709, 0719, 0749, 0759, 0779, 0789, and 0799.	X		X								
5734.3	Medicare contractors shall make SNF providers aware of the corrected spell of illness chart.	X		X								

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)							
		A/	DM	FI	CA	DM	RH	Shared-System Maintainers	OTHER

								FISS	MCS	VMS	CWF	
5734.4	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								

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. All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Jason Kerr @ Jason.Kerr@cms.hhs.gov

Post-Implementation Contact(s): Appropriate Regional Office
http://www.cms.hhs.gov/RegionalOffices/01_Overview.asp

VI. FUNDING

A. *For Fiscal Intermediaries, Carriers, and the Durable Medical Equipment Regional Carrier (DMERC)*:
No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

B. *For Medicare Administrative Contractors (MAC)*:

The Medicare Administrative Contractor (MAC) is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as changes to the MAC Statement of Work (SOW). The contractor is not obligated to incur costs in excess of the amounts specified 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.

20.5.1.1 - Packaged Revenue Codes

(Rev.1355, Issued: 10-19-07, Effective: 10-01-07, Implementation: 01-22-08)

The following revenue codes when billed under OPPS without HCPCS codes are packaged services for which no separate payment is made. However, the cost of these services is included in the transitional outpatient payment (TOP) and outlier calculations. The revenue codes for packaged services are: *0250, 0251, 0252, 0254, 0255, 0257, 0258, 0259, 0260, 0262, 0263, 0264, 0269, 0270, 0271, 0272, 0275, 0276, 0278, 0279, 0280, 0289, 0370, 0371, 0372, 0379, 0390, 0399, 0560, 0569, 0621, 0622, 0624, 0630, 0631, 0632, 0633, 0637, 0681, 0682, 0683, 0684, 0689, 0700, 0710, 0720, 0721, 0762, 0810, 0819, and 0942.*

Any other revenue codes that are billable on a hospital outpatient claim must contain a HCPCS code in order to assure payment under OPPS. FIs should return to provider (RTP), claims which contain revenue codes that require HCPCS when no HCPCS is shown on the line.

40.8.1 - SNF Spell of Illness Quick Reference Chart

(Rev. 1355, Issued: 10-19-07, Effective: 10-01-07, Implementation: 01-22-08)

Level of Care	Patient's Medicare SNF Part A Benefits Are Exhausted	Patient Is In Medicare Certified Area of the Facility *	If in non-Medicare Area, the Facility Meets the Definition of a SNF **	Is the Inpatient Spell of Illness Continued?	Billing Action
Medicare Skilled	YES	YES	N/A	YES	Submit Monthly Covered Claim.
	NO	YES	N/A	YES	Submit Monthly Covered Claim.
	YES	NO	YES	YES	Submit Monthly Covered Claim.
	NO	NO	YES	*YES*	*Patient should be returned to certified area for Medicare to be billed. Submit Monthly Covered Claim.*
	NO	NO	NO	*NO*	*Facility should determine whether it would be appropriate to send patient back to a certified area for Medicare coverage.*
Not Medicare Skilled	YES	NO	NO	NO	Do not submit claim if pt came in non-skilled. Otherwise, submit no-pay claim w/ discharge status code when patient leaves the certified area.
	YES	YES	N/A	NO	Do not submit claim if pt came in non-skilled. Otherwise, submit no-pay claim w/ discharge status code when patient leaves the certified area.
	NO	YES	N/A	NO	Do not submit claim if pt came in non-skilled. Otherwise, submit no-pay claim w/ discharge status code when patient leaves the certified area.
	NO	NO	YES	NO	Do not submit claim if pt came in non-skilled. Otherwise, submit no-pay claim w/ discharge status code when patient leaves the certified area.
	YES	NO	YES	NO	Do not submit claim if pt came in non-skilled. Otherwise, submit no-pay claim w/ discharge status code when patient leaves the certified area.

* Whether the facility considers a patient's bed in the certified area to be a Medicare bed or not has no effect on whether the spell of illness is continued and has no effect on the SNF's action.

** In some states, licensing laws for all nursing homes have incorporated requirements of the basic SNF definition (Social Security Act §1819(a)(1)). When this is the case, any nursing home in such a state would be considered to meet this definition (see CMS Internet-Only Manual, Pub. 100-7, Chapter 2, §2164 at www.cms.hhs.gov/manuals/ on the CMS website).