CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2286	<b>Date: August 26, 2011</b>
	<b>Change Request 7552</b>

SUBJECT: 2012 Annual Update of Healthcare Common Procedure Coding 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 AB MACs, 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, 20.6 for FIs/A/B MACs.

**EFFECTIVE DATE: January 1, 2012** 

**IMPLEMENTATION DATE: January 3, 2012** 

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	
N/A		

#### III. FUNDING:

For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers: No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

#### **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:**

# **Recurring Update Notification**

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

## **Attachment - Recurring Update Notification**

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SUBJECT: 2012 Annual Update of Healthcare Common Procedure Coding System (HCPCS) Codes for Skilled Nursing Facility (SNF) Consolidated Billing (CB) Update

Effective Date: January 1, 2012

**Implementation Date: January 3, 2012** 

### 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, 2011.

#### A. Background:

**For Carrier/A/B MAC processing only**: By the first week in December 2011, new code files will be posted to the CMS Web site at: <a href="http://www.cms.hhs.gov/SNFConsolidatedBilling/">http://www.cms.hhs.gov/SNFConsolidatedBilling/</a>.

**For FI/A/B MAC processing only:** By the first week in December 2011, new Excel and PDF files will be posted to the CMS Web site at: <a href="http://www.cms.hhs.gov/SNFConsolidatedBilling/">http://www.cms.hhs.gov/SNFConsolidatedBilling/</a>. 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 AB MACs, 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

*Use "Shall" to denote a mandatory requirement* 

Number	Requirement	Responsibility (place an "X" in each									
		applicable column)									
		A	D	F	C	R		Shai	ed-		OTH
		/	M	I	A	Н		Syst	em		ER
		В	E		R	Н	M	ainta	aine	rs	
					R	I	F	M	V	С	
		M	M		I		I	C	M	W	
		A	A		Е		S	S	S	F	
		C	C		R		S				
7552.1	The CWF contractor shall accept new Carrier/A/B MAC									X	
	and FI/A/B MAC SNF coding files and process SNF CB										
	claims for dates of service on or after January 1, 2012										

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R	R H H		Shai Syst ainta	tem	rs	OTH ER
		M A C	M A C		R I E R	Ι	F I S S	M C S	V M S	C W F	
	through December 31, 2012 using these files.										
7552.2	The CWF contractor shall compare the new <b>FI/A/B MAC</b> 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.									X	
7552.3	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	
7552.4	The CWF contractor shall delete codes from the edits per the CMS determination.									X	
7552.5	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 (place an "X" in each								
		ap	applicable column)								
		A	D	F	C	R		Shai	red-		OTH
		/	M	I	A	Н		Syst	tem		ER
		В	Е		R	Н	M	ainta	aine	rs	
					R	I	F	M	V	C	
		M	M		I		I	C	M	W	
		A	A		Е		S	S	S	F	
		C	С		R		S				
7552.6	A provider education article related to this instruction will	X	X	X	X						
	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										

Number	Requirement		Responsibility (place an "X" in each								
		ap	applicable column)								
		Α	D	F	C	R		Shai	red-		OTH
		/	M	I	A	Н	1	Syst	tem		ER
		В	E		R	Н	M	ainta	aine	rs	
					R	I	F	M	V	C	
		M	M		I		I	С	M	W	
		A	A		Е		S	S	S	F	
		C	C		R		S				
	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.										

#### 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	Recommendations or other supporting information:
Requireme	
nt	
Number	
N/A	

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

## V. CONTACTS

**Pre-Implementation Contact(s):** Jason Kerr, <u>Jason.Kerr@cms.hhs.gov</u> (for FI/A/B MAC Billing) or Chanelle Jones; <u>Chanelle.Jones@cms.hhs.gov</u> (for Carrier/A/B MAC Billing).

**Post-Implementation Contact(s):** Contact your Contracting Officer's Technical Representative (COTR) or Contractor Manager, as applicable.

#### VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or 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):

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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.