CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1317	Date: AUGUST 17, 2007
	Change Request 5696

SUBJECT: 2008 Annual Update of HCPCS Codes for Skilled Nursing Facility (SNF) Consolidated Billing (CB) for the Common Working File (CWF), Medicare Carriers and Fiscal Intermediaries (FIs)

I. SUMMARY OF CHANGES: Changes to Healthcare Common Procedure Coding System 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 and Chapter 6, Section 20.6 for FIs.

NEW / REVISED MATERIAL
EFFECTIVE DATE: *January 1, 2008
IMPLEMENTATION DATE: January 7, 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
N/A	

III. FUNDING:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2008 operating budgets.

IV. ATTACHMENTS:

Recurring Update Notification

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

Attachment – Recurring Update Notification

Pub. 100-04	Transmittal: 1317	Date: August 17, 2007	Change Request: 5696

SUBJECT: 2008 Annual Update of HCPCS Codes for Skilled Nursing Facility (SNF) Consolidated Billing (CB) for the Common Working File (CWF), Medicare Carriers and Fiscal Intermediaries (FIs)

EFFECTIVE DATE: *January 1, 2008

IMPLEMENTATION DATE: January 7, 2008

I.   GENERAL INFORMATION

A.   Background: 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 only allow services that are excluded from consolidated billing to be separately paid by the carrier and\or FI. Barring any delay in the Medicare Physician Fee Schedule, the new code files will be provided to CWF by November 1, 2006.

For Carrier processing only: By the first week in December 2007, new code files will be posted to the CMS Web site at: http://www.cms.hhs.gov/SNFConsolidatedBilling/ .

For FI processing only: By the first week in December 2007, 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 FI update in order to understand the Major Categories including additional exclusions not driven by HCPCS codes.

B.   Policy: Changes to Healthcare Common Procedure Coding System 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 and Chapter 6, Section 20.6 for FIs.

II.   BUSINESS REQUIREMENTS TABLE
Use "Shall" to denote a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B MAC	DME MAC	FI	CARRIER	DMERC	RHHI	FISS	MCS	VMS	CWF	OTHER
5696.1	The CWF contractor shall accept new carrier SNF coding files and process SNF CB claims for dates of service on or after January 1, 2008 through December 31, 2008 using these files.										X	
5696.2	The CWF contractor shall compare the new **FI** code list for Major Categories I-V to the										X	

Number	Requirement	A/B MAC	DME MAC	FI	CARRIER	DMERC	RHHI	Shared-System Maintainers				OTHER
								FISS	MCS	VMS	CWF	
	codes in the current edit.											
5696.2.1	Codes that appear on the new list, but not in the current edit, shall be added to the edit by the CWF contractor.										X	
5696.3	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	
5696.4	The CWF contractor shall delete codes from the edits per the CMS determination.										X	
5696.5	Carriers, DMERCS, DME MACS and FIs shall continue to respond to rejects and unsolicited responses received from CWF per current methodology.	X	X	X	X	X						
5696.6	Carriers, DMERCS, DME MACS and FIs shall reopen and reprocess any claims brought to their attention for services that prior to this update were mistakenly not considered to be excluded from consolidated billing and therefore, not separately payable.	X	X	X	X	X						
5696.6.1	Contractors need not search claims history to identify these claims. Any of these changes will be listed on the web sites.	X	X	X	X	X						

III.   PROVIDER EDUCATION TABLE

Number	Requirement	A/B MAC	DME MAC	FI	CARRIER	DMERC	RHHI	Shared-System Maintainers				OTHER
								FISS	MCS	VMS	CWF	
5696.7	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	X	X	X	X	X						

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B MAC	D M E MAC	F I	C A R R I E R	D M E R C	R H H I	Shared-System Maintainers				OTHER
								F I S S	M C S	V M S	C W F	
	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

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:
N/A	

B. For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

Pre-Implementation Contact(s): April Billingsley for carrier billing, April.Billingsley@cms.hhs.gov ; Jason Kerr for FI billing, Jason.Kerr@cms.hhs.gov

Post-Implementation Contact(s): Regional Office

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 FY 2008 operating budgets.

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

The contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the Statement of Work (SOW). 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.