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# The Healthcare Bulletin

## **CMS Proposes Increase in Medicare Payments to Nursing Homes for 2008**

Medicare payments to nursing homes would increase by approximately \$690 million in fiscal 2008 under new rates proposed today by the Centers for Medicare & Medicaid Services (CMS). This 3.3 percent increase would affect payment rates to nursing facilities that furnish certain skilled nursing and rehabilitation care to Medicare beneficiaries recovering from serious health problems. Public comments on the proposal will be accepted until June 29, 2007. To see the CMS Press Release issued on April 30, 2007, please click: [http://www.cms.hhs.gov/apps/media/press\\_releases.asp](http://www.cms.hhs.gov/apps/media/press_releases.asp). For further information about the SNF PPS including a link to the proposed regulation, please click: <http://www.cms.hhs.gov/snfpps/>.

### **Therapy Documentation Hints**

Proper documentation is the key to proper reimbursement; therefore, documentation must accurately reflect the services billed to Medicare. Documentation should reflect that the beneficiary can actively participate and retain instructions. The time spent delivering each service described by a timed code should be recorded (the length of the treatment to the minute could be recorded instead). Include a note describing the treatment. All documentation should be legible.

### **Skilled Nursing Facility Consolidated Billing**

Skilled nursing facilities (SNFs) should ensure controls are in place to prevent duplicate billing. Under the Medicare prospective payment system (PPS), the SNF has the Medicare responsibility for virtually all the Medicare-covered services that its Medicare beneficiaries receive. The outside supplier must receive payment from the SNF, rather than the Part B carrier. (Source: *HHS OIG FY 2007 work Plan*)

Providers must have agreements with

providers of Off-Site Services. CMS sample agreements and comments on Off-Site services may be accessed at [www.cms.hhs.gov/snfpps](http://www.cms.hhs.gov/snfpps).

### **Resident Assessment Protocols (RAPS)**

It is important for the interdisciplinary team to include in their RAP documentation the causal or unique risk factors for a resident's decline or lack of improvement. Facilities must ensure that residents improve when possible and do not deteriorate unless the resident's clinical condition demonstrates that the decline was unavoidable. (Source: *RAI manual, Procedures for Completing RAPS, page 4-2*)

### **Medicare Secondary Payer Record Retention**

The Medicare Secondary Payer form required for all Medicare admissions to determine if there is a payer primary to Medicare must be maintained by the provider for ten years.

### **Long Term Care Open Door Forum**

The next Skilled Nursing Facilities/Long-Term Care Open Door Forum is Thursday, June 21, 2007. If you wish to participate or receive notice of these forums, you may sign for the mailing list at [http://www.cms.hhs.gov/OpenDoorForums/25\\_ODF\\_SNFLTC.asp](http://www.cms.hhs.gov/OpenDoorForums/25_ODF_SNFLTC.asp). A Mailing List notice with the participation information will be sent two weeks prior to the scheduled date.

### **Clarification of Skilled Nursing Facility No Pay Billing**

On May 25, 2007, CMS issued Transmittal 1252 clarifying No Pay billing instructions. This information will be updated in Chapter 6 of the Medicare Claims Processing Manual. The SNF Spell of Illness Quick Reference Chart will also be added to the manual.

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