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The Healthcare Bulletin

Therapy Evaluations

In the SNF PPS final rule for FY 2000, CMS clearly stated that the initial evaluation, performed by the licensed therapist and necessary for the development of the plan of treatment, must be performed during the beneficiary's SNF stay. It is not acceptable to use an evaluation that was performed, for instance, in the acute care hospital or the rehabilitation hospital setting as the evaluation of the beneficiary in the SNF, because the beneficiary's status must be evaluated as he or she presents in the SNF setting. The cost of an initial therapy evaluation in the SNF is included in the SNF PPS payment made for covered SNF services.

The contractor shall deny claims for SNF services when the first three alpha characters of the HIPPS rate code are RHA, RHB, RHC, RHL, RHX, RLA, RLB, RLX, RMA, RMB, RMC, RML, RMX, RUA, RUB, RUC, RUL, RUX, RVA, RVB, RVC, RVL, or RVX, and a review of the medical record finds that an initial evaluation for therapy services is dated prior to the first day of covered care upon admission and or readmission to the SNF. (Source: CMS Transmittal 73)

MDS Coding of Respiratory Therapy

Respiratory therapy is one of the 108 items on the MDS that impacts reimbursement; therefore, respiratory therapy provided by respiratory therapists or trained nurses should be coded in MDS Section P1b. There must be at least 15 minutes of treatment time in a 24-hour period documented in the clinical record. The Medication Administration Record (MAR) or separate flow sheet may be used. For more information on coding respiratory therapy, refer to the MDS 2.0 User's Manual, Section P.

ICD-9-CM Coding Update

The updated ICD-9 codes become effective October 1, 2007. There are no grace periods. Providers must ensure they have these new ICD-9 codes updated in their MDS software and have purchased new ICD-9 code books. Accurate diagnoses

codes are important for submitting accurate claims to the fiscal intermediary or contractor.

Other Medicare Required Assessment (OMRA) and Medical Review

If the provider discontinued all rehabilitation services at some point during the period under review, but did not complete the Other Medicare Required Assessment (OMRA) as required by Medicare 8-10 days after therapy is discontinued and no other skilled care is needed, the contractor shall deny the claim from the date that the rehabilitation services were discontinued. (Source: Pub 100-08 Medicare Program Integrity, Transmittal 196)

CMS Proposes to Charge Providers for Survey Re-Visits

The Centers for Medicare and Medicaid Services (CMS) is proposing to charge fees to healthcare providers for re-visit surveys that are required to ensure that deficiencies have been corrected. This also applies to complaint surveys.

Emergency Services

Emergency Services provided in hospitals, including Critical Access Hospitals (CAHs), are excluded from SNF consolidated billing for beneficiaries that are in skilled Part A SNF stays. Services related to the encounter are also excluded from the SNF consolidated billing provision. (Source: Medicare Claims Processing Manual Chapter 6, Section 20.1.2.2)

Compliance Program

Providers should ensure an effective compliance program is implemented to protect themselves from violations of fraud and abuse. The program should be in writing and periodically reviewed to ensure it is followed and employees are properly trained. Current written policies and procedures and job descriptions are critical.

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