

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 10109	Date: May 8, 2020
	Change Request 11727

SUBJECT: Updates to Skilled Nursing Facility (SNF) Patient Driven Payment Model (PDPM) to Correct the Adjustment Process

I. SUMMARY OF CHANGES: This Change Request (CR) contains updates to claims processing for adjustments and other billing issues for SNF PDPM claims.

EFFECTIVE DATE: October 1, 2019

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

IMPLEMENTATION DATE: October 5, 2020

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	N/A

III. FUNDING:

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:

One Time Notification

Attachment - One-Time Notification

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SUBJECT: Updates to Skilled Nursing Facility (SNF) Patient Driven Payment Model (PDPM) to Correct the Adjustment Process

EFFECTIVE DATE: October 1, 2019

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I. GENERAL INFORMATION

A. Background: This Change Request (CR) will implement changes to the Skilled Nursing Facility (SNF) Prospective Payment System (PPS), specifically implementing requirements for the Patient Driven Payment Model (PDPM). SNFs billing on Type of Bill (TOB) 21X and hospital swing bed providers billing on TOB 18X (subject to SNF PPS), will be subject to these requirements. This CR will implement requirements for adjustments in order for the variable per diem to pay correctly, and also add new fields to account for prior days processing.

B. Policy: No policy changes exist with this CR.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
11727.1	Contractors shall not recalculate the prior days on adjustment claims if the adjustment does not change the cost report days for SNF PDPM claims subject to SNF PPS.					X				
11727.2	Contractors shall exclude Medicare Advantage (MA) encounter claims (CC 04) to the prior days count, effective October 1, 2019.					X				
11727.2.1	Contractors shall adjust any MA claims brought to their attention, that processed prior to 10/1/2020 so that the prior days count is corrected to excluded the MA days.	X								

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
11727.3	Contractors shall add a Prior Days field to the claim record.					X				IDR, PS&R
11727.4	Contractors shall add a Current Prior Days field to the claim record.					X				IDR, PS&R
11727.5	Contractors only include claims (with the same admission date) with DOS prior to the claim currently being priced.					X				
11727.5.1	<p>Contractors shall calculate the prior days value to pass into the SNF PRICER for claims subject to SNF PPS after 10/1/2019 as follows:</p> <p>Add the cost report days for claims with the same date of admission with dates of service prior to the from date of the currently being priced claim. This count will exclude cancel claims, MA claims with condition code 04 and claims (with the same admission date) with dates of service after the from date of this claim.</p> <p>Note: When there are multiple 0022 revenue lines on a claim, when pricing the first revenue code 0022 line on a claim, the prior day count is the number of prior SNF days identified by FISS from applicable claims history. On later dated revenue code 0022 lines, the prior day count is the days from applicable claims history plus any units from any earlier dated 0022 lines (exclude earlier dated 0022 lines if this is an MA claim).</p>					X				

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E	C E D I
		A	B	H H H	M A C	
11727.6	MLN Article: CMS will make available an MLN Matters provider education article that will be marketed through the MLN Connects weekly newsletter shortly after the CR is released. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1, instructions for distributing MLN Connects information to providers, posting the article or a direct link to the article on your website, and including the article or a direct link to the article in your bulletin or newsletter. You may supplement MLN Matters articles with localized information benefiting your provider community in billing and administering the Medicare program correctly. Subscribe to the “MLN Matters” listserv to get article release notifications, or review them in the MLN Connects weekly newsletter.	X				

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements:

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
5	11152.6.1.1 - The Medicare contractor shall calculate the prior days value to pass into the SNF PRICER when pricing the current claim as follows: Add the cost report days on all claims paid under the same admission as the claim being priced.

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Valeri Ritter, 410-762-8652 or valeri.ritter@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0