

## Part B Insider (Multispecialty) Coding Alert

### Consolidated Billing: Find Your Way Through the SNF Billing Maze

#### Consult Stark and consolidated billing rules first.

If your physician sees patients in a skilled nursing facility (SNF) or SNF patients come to your office, you are faced with unique billing and reimbursement challenges when it comes to Medicare. Take a look at this case study and see if your billing solutions match up to the experts.

**Scenario:** "Several of my physicians are medical directors of skilled nursing facilities," says **Janice Oakley, CCP, RMC, CMM**, compliance officer of InterMountain Medical Group in Wilkes-Barre, Penn. "They receive a stipend for this from the SNF. Are they allowed to bill Medicare for visits to patients in addition to the stipend? Do we bill, or does the SNF?"

**The key:** There are two parts to billing the types of services this case study discusses. First, you need to get a handle on the Stark regulations that apply. Second, you need to follow SNF consolidated billing rules. Read on to learn more about each important aspect of billing in this situation.

#### Know When Stark Applies

When you're dealing with ownership stakes and directorships in facilities, including SNFs, the first regulations you should check before billing for your physician's services are the Stark laws.

"Medical directorships (legitimate ones, that is) usually involve a set of advisory and oversight responsibilities that aren't tied to the care and treatment of a single patient, but instead are more of the 'view from 10,000 feet' sort of thing," says **Joan Gilhooly, CPC, CHCC**, president of Medical Business Resources LLC, in Deer Park, Ill. "In other words, the physician who is the medical director can admit his own patients to the SNF and can see them in the SNF setting without it having anything to do with the responsibilities he has as the facility's medical director."

Therefore, in this case, you shouldn't have to worry about potential Stark violations when you bill for the physician's service in the SNF where he is the medical director.

**Possible exception:** "If you're talking about cases where the patient needed to be admitted to the SNF but didn't have a physician who would be managing their SNF care and the medical director was assigned to be the patient's SNF attending physician, then it probably would be a good idea for a Stark attorney to review the medical director contract to determine whether there were any Stark issues in the proposed arrangement," Gilhooly says.

**Consult an expert:** In fact, it's a good idea to have a healthcare attorney review any Stark-related questions your practice has. "Stark questions really need to be posed to a healthcare attorney with expertise in Stark," Gilhooly warns. "The rules are simply too convoluted and the stakes too high to take a chance on getting incomplete information from a layman's opinion on the topic."

#### Work With the SNF

Because Medicare Part A typically covers SNF patients, and consolidated billing rules apply, you can only report certain services to Medicare. Whether the physician visits the SNF or the SNF patient visits your office, if the patient is in a covered Part A stay, SNF rules apply, and the facility is liable for the payment.

**In this case:** For Oakley's scenario, "As far as billing Medicare for the care of a specific patient, no, the SNF would not include that on their facility claim billed to Medicare Part A. Physician professional services are always billed separately on a 1500 to Medicare Part B," Gilhooly says. But if the doctor performs a diagnostic test in addition to the visit, the technical portion of the diagnostic test does fall under the Part A consolidated billing rules.

"The business office manager of these facilities can be helpful in answering questions," says **Marilyn Lucus, CPC**, contract coder and former practice manager from Arizona. "Don't be afraid to ask. Find out who the medical directors of other facilities are and contact their office/coder."

Turn the page for a handy billing tool that will help you ease your consolidated billing woes.