

Eli's Rehab Report

Part B Bundles Some Therapy Services Into SNF Payments

Physicians can report TENS and strapping in an SNF, but therapists can't

If your therapist treats skilled nursing facility (SNF) patients, you'd better start trying to bill the SNF directly, because Medicare will bundle the therapist's payment into the SNF's claim.

CMS announced July 1 in its Medical Learning Network (Medlearn) 2004 Updates that if a therapist administers treatment at an SNF, Part B payers will bundle the payment into the SNF's fee. However, if a physician -- not a therapist -- provides the services to an SNF patient, you can bill the codes separately. Although CMS issued the Medlearn announcement on July 1, Medicare applies the rule retroactively effective April 1, 2004.

"This is really all about the consolidated billing rule," says **Judy Thomas, MGA**, reimbursement policy director at the American Occupational Therapy Association. "Under the law, all therapy services in an SNF must be paid to the SNF, not to the therapist directly." The therapist can bill the SNF for his services, but he should establish a policy on this in writing before administering services at that SNF. That way, the therapist acts as an independent contractor who can provide services. Then Medicare pays the SNF, and the SNF pays the therapist.

Get Your SNF Contract in Writing

Make sure that your contract with the SNF is in writing, Thomas says. "In the past, therapy companies have provided services 'on a handshake' and then had problems collecting from the SNF," Thomas says. "A written contract or agreement is always essential and provides a measure of protection for a contract therapist or company should the SNF renege on the agreement."

Note: CMS Transmittal 183, dated May 21, 2004, further outlines therapists' arrangements with SNFs. You can view it at the CMS Web site at www.cms.hhs.gov/manuals/pm_trans/R183CP.pdf.

With the exception of 64550 (Application of surface [transcutaneous] neurostimulator), which refers to transcutaneous neurostimulators (TENS) and which the therapist may use to anesthetize nerves to control or block pain, the codes that Medicare now bundles into the SNF payment describe the application of casts and strapping.

According to CPT, cast application or strapping "is a replacement procedure used during or after the period of follow-up care, or when the cast application is an initial service performed without a restorative treatment or procedure[s] to stabilize or protect a fracture, injury, or dislocation and/or to afford comfort to a patient."

Physicians use TENS as well as application and strapping codes as part of medical treatment, says **Gregory Mulford, MD**, medical director at Atlantic Rehabilitation Services and chairman of Rehabilitation Medicine at Morristown Memorial Hospital in New Jersey. Therapists, on the other hand, often use these services as a component of therapy, meaning that other codes usually include or bundle them.

SNFs Will Deny These Codes for Therapists

Check the following list for codes (including 64550) that your part B payer will deny if your therapist provides these services to SNF patients:

1. 29065 -- Application, cast; shoulder to hand (long arm)
2. 29075 -- Application, cast; elbow to finger (short arm)
3. 29085 -- Application, cast; hand and lower forearm (gauntlet)

4. 29086 -- Application, cast; finger (e.g., contracture)
5. 29105-29131 -- Body and upper extremity splints
6. 29200-29280 -- Body and upper extremity strapping -- any age
7. 29345 -- Application of long leg cast (thigh to toes)
8. 29365 -- Application of cylinder cast (thigh to ankle)
9. 29405 -- Application of short leg cast (below knee to toes)
10. 29445 -- Application of rigid total contact leg cast
11. 29505-29515 -- Splints
12. 29520-29590 -- Lower extremity strapping-any age
13. 64550 -- Application of surface (transcutaneous) neurostimulator.