

Outpatient Facility Coding Alert

Reader Question: Consider This Before You Earmark SNF Patients For Outpatient Care

Question: Our hospital offers outpatient therapy and owns a skilled nursing home. The physical therapists have asked to treat some of our SNF patients in the outpatient setting. The reasons for this include making it more convenient for the therapists as they don't have to rush back and forth between facilities, the therapists have greater choice of equipment to use with the patients, and the patients enjoy the "social outing." However, we are worried that transporting residents to the outpatient setting will imply that the SNF cannot meet the patients' skilled therapy needs. Is there a way to set up this arrangement?

Georgia Subscriber

Answer: Yes, you can steer some of your skilled nursing patients to an outpatient setting to deliver their skilled therapy □ but the arrangement may not benefit your bottom line.

Stay compliant: You can only set up this arrangement for your Part B Medicare patients. If your patient is covered under the Part A benefit, then Medicare is paying you an all-inclusive rate that includes medication, nursing, therapy and any other service the patient requires. To qualify for Part A, patients' therapy must be delivered in the nursing home. This means you can never take those patients to an outpatient facility to deliver care □ even if the patient would enjoy the outing.

Hammer out payment: While you can take Part B SNF patients to an outpatient facility, you may be giving money away by doing it. Depending on how your contract is written, your skilled nursing facility is paid up to 25 percent of the Medicare benefit for providing skilled therapy.

When your patient leaves the SNF for therapy, the reimbursement for that therapy goes with him or her. If one entity owns both the SNF and the outpatient facility, that payment hit might be absorbed. But if you send patients to a separate outpatient setting, the resulting reimbursement fallout could sting.

Extra expense: You must also factor in the additional expenses you'll incur when you take patients from place to place, including gas and maintenance for your vehicles.

The bottom line: Before you begin earmarking skilled therapy patients for outpatient settings, consider whether your SNF can take the potential reimbursement loss. And if the patient will benefit more from outpatient treatment than the SNF's therapy, take a closer look at the overall needs to see if the patient is better suited to home care than inpatient care.