

MDS Alert

Consolidated Billing: Protect Your SNF From Unexpected - And Potentially Unnecessary - Chemotherapy Bills

Here's what you need to stay out of the hole for this service.

True or False: Your SNF could legitimately still end up with a bill for residents who receive chemotherapy agents excluded from consolidated billing and your SNF PPS rate.

True, says **Andrew Cutler**, a Medicare payment specialist with **FR&R Healthcare Consulting** in Deerfield, IL.

"If it's an excluded chemotherapy agent, the drug will be billable to Part B and the related supplies for administering the drug may or may not be billable," Cutler tells Eli. "It depends on the specific HCPCS coding," he maintains.

The bottom line: "Check the SNF Help File, which lists HCPCS codes that are separately billable for each service," says Cutler (see the Web address to access the file at the end of this article).

"Facilities may be billed by hospitals or outpatient clinics for services provided during the chemotherapy administration, such as venipuncture and blood work performed prior to chemotherapy to establish blood counts, and/or IV fluids infused with the chemotherapy," says **Lynn Gerard, RN**, director of nursing at **Guardian Angels Care Center** in Elk River, MN.

Even if PPS excludes a drug and supplies from consolidated billing (which will be paid for by Part B), the SNF may still get a bill for other non-excluded drugs, supplies and services administered during a chemotherapy session.

Think in Triplicates

A single chemo session can, in effect, generate three bills, according to the **Centers for Medicare & Medicaid Services**, which clarified the issue during a recent SNF open door forum. These bills are:

A first bill for the professional component, which a physician or other practitioner bills to Part B directly (and is never the SNF's responsibility).

A second bill for the excluded chemotherapy agents (such as certain drugs or supplies) which the supplier of the drugs/items will bill to Part B.

A final bill for non-excluded drugs, services and supplies, which the supplier will bill to the SNF and should be included on the UB-92 sent to the fiscal intermediary.

"These services would be included in the Part A PPS payment and not paid separately," says Cutler.

Don't Get Stuck Unnecessarily

To avoid getting surprise bills for chemotherapy - or to avoid them all together - facilities should view consolidated billing as more than a business or billing office issue, advises **Claudia Reingruber, CPA**, principal of **Reingruber & Company** in St. Petersburg, FL. "Someone should be looking at these issues at the time of the resident's admission and before the resident goes for an off-site service or to the physician's office for a visit," she says.

Assign a contact person to research services using the SNF Help File and other resources to see if they are excluded, advises Reingruber. "If they aren't excluded, figure out whether an alternative treatment or drug - or an alternative site

of service - could lessen or eliminate the SNF's financial liability," she adds.

Consultant **Cindy MacQuarrie, MSN, RN** agrees: "If the resident needs a chemotherapy drug that's not excluded, that's fine, but perhaps there's an excluded medication that would work just as well," she says. "If so, the SNF staff can talk to the provider about that possibility."

Tip: "Make sure you know the HCPCS code for the chemotherapy agent to see if the outside provider is using the right code," advises MacQuarrie, a nursing consultant with **BKD Inc.** in Kansas City, MO.

Billing heads up: Cutler is aware of instances where facilities have received invoices for chemotherapy drugs that were billed using generic codes, which are not excluded from SNF Part A consolidated billing.

"Yet the facility couldn't determine whether the drug was excluded, because the code billed didn't provide enough information," he says.

In such a case, Cutler suggests SNFs contact the chemotherapy provider to obtain additional information so they can be certain whether they are responsible for the medication costs.

Access the 2004 annual update to the SNF Help File at www.cms.hhs.gov/manuals/pm_trans/R92CP.pdf, and the October 2004 quarterly update of HCPCS codes used for SNF consolidated billing at www.cms.hhs.gov/manuals/pm_trans/R224CP.pdf.