MDS Alert

Test Yourself: Consolidated Billing

Scenario: Resident A needs radiation therapy. So, the facility contacts the vendor to obtain the HCPCS codes for the services the resident will be receiving. The SNF billing office checks the codes against the SNF HCPCS help file and finds that all of the services are listed as excluded from SNF PPS consolidated billing. The resident goes out to receive the radiation services, and the facility assumes all is well.

About a month later, the facility receives a call from the radiation therapy vendor stating that Medicare denied payment for the services because they are subject to SNF consolidated billing. The vendor requests prompt payment from the SNF for the resident's radiation therapy.

How could this happen?

Answer: The radiation therapy wasn't provided in an outpatient hospital setting. To be excluded from SNF PPS and consolidated billing, the radiation therapy must be provided on an outpatient basis at a hospital, including a critical access hospital. Radiation therapy provided in locations other than hospitals or CAHs (i.e., clinic settings) is not excluded. (See Program Memorandum A-02-118 at www.cms.gov/manuals/pm_trans/A02118.pdf.)

Source: Excerpted by permission from **FR&R Healthcare Consulting** LTC Bulletin. For additional questions, contact Elizabeth Malzahn at 847-236-1111(ext. 448) or Marilyn Mines (ext. 416).