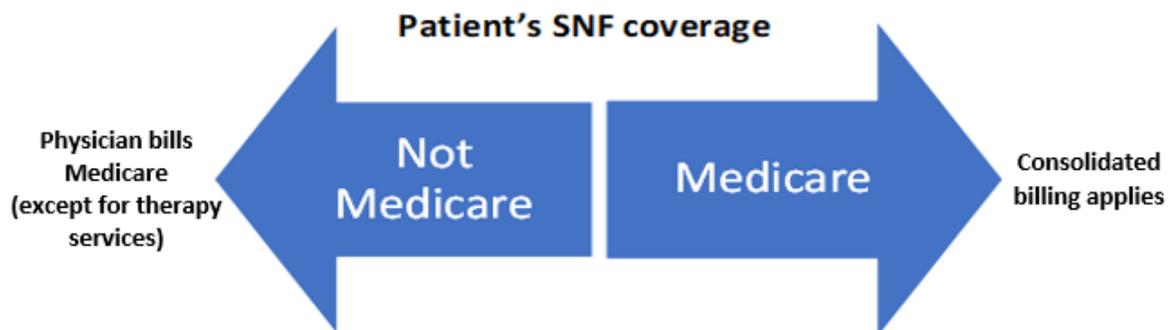


Skilled Nursing Facility (SNF) Consolidated Billing

Consolidated Billing Rule

As part of the Balanced Budget Act of 1997, it was required that reimbursement for services provided to patients in a [Skilled Nursing Facility \(SNF\)](#) would be included in a bundled payment from the Part A Medicare Administrative Contractor (MAC) directly to the SNF.

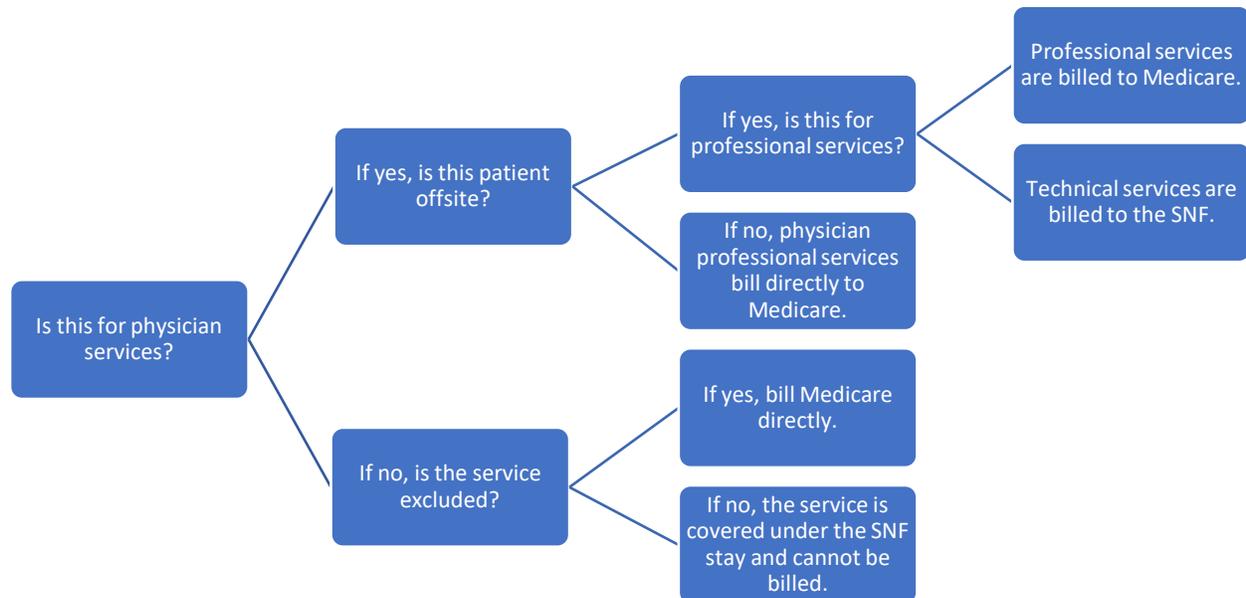
The Medicare consolidated billing rules require skilled nursing facilities (SNFs) to bill Medicare for most services provided to their residents. The consolidated billing rule applies only to Medicare beneficiaries whose nursing home stay is being covered by Medicare. If a Medicare beneficiary living in a nursing home is paying privately for the nursing home stay, the physician can bill Medicare directly for the services furnished. Similarly, if Medicaid is paying for the nursing home stay, the physician can continue to bill the patient directly for services furnished to the patient. The only exception to this rule is therapy services, which are always subject to consolidated billing.



If service or drug is covered under consolidated billing, only the SNF may bill Medicare. By statute, certain services and drugs (including certain chemotherapy drugs and administration services) are excluded from consolidated billing. The list of excluded drugs and services can be found on the [CMS website](#). Updates to the services can be found on the [CMS SNF overview](#) page.

If a resident is transported offsite to receive services or drugs that have been excluded from consolidated billing, the physician or provider can bill Medicare directly for those excluded services. If a physician provides a service considered included or subject to consolidated billing, the physician cannot bill Medicare directly as only the SNF may bill Medicare. As a note while physician services may be considered excluded, the technical components of those physician services are included in consolidated billing and should be billed to the SNF.

Billing Decision Tree



Reimbursement for Services provided to a SNF Patient

According to CMS' [Best Practices Guidelines](#), the SNF has a responsibility "to furnish directly or make arrangements for all services that are subject to the consolidated billing requirement. The absence of such an agreement does not relieve the SNF of its responsibility to furnish these services.

However, oncology practices may want to proactively develop agreements with SNFs to avoid delays in reimbursement. The "Best Practices Guidelines" offer Consolidated Billing Claims Processing Instructions in a flow chart format and sample agreements for reference.

Educational Opportunities

In addition to the CMS' ["Best Practices Guidelines"](#) several Medicare Administrative Contractors (MACs) have offered webinars on SNF Consolidated Billing. Check the "Education and Outreach" section of your MAC's website for more information.

Resources

- [Overview on Skilled Nursing Facility \(SNF\) Consolidated Billing \(CB\)](#)
- [Consolidated Billing](#)
- [Medicare Claims Processing Manual SNF Part B Billing \(cms.gov\)](#)
- [Best Practices Guidelines](#)