

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 12037	Date: May 15, 2023
	Change Request 13164

Transmittal 12032 issued May 10, 2023, is being rescinded and replaced by Transmittal 12037, dated May 15, 2023, to make a minor clarification (that claims will be adjusted/denied if an improper payment is identified) and remove the confidential designation. All other information remains the same.

SUBJECT: Skilled Nursing Facility (SNF) 5-Claim Probe and Educate Review

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to have the MACs perform a 5 claim probe and educate medical review on every SNF in their jurisdiction. The purpose of this widespread review is to lower the SNF improper payment rate. As always, if the MAC identifies an improper payment, the MAC will adjust the individual claim payment, as appropriate, in addition to providing education, including their explanation for denial or adjustment of payment.

EFFECTIVE DATE: June 5, 2023

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: June 5, 2023

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

One Time Notification

Attachment - One-Time Notification

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I. GENERAL INFORMATION

A. Background: The Comprehensive Error Rate Testing (CERT) program for SNFs (skilled nursing facility) projected an improper payment rate of 15.1 percent in 2022, up from 7.79% in 2021. SNF service errors were determined to be the top driver of the overall Medicare Fee-for-Service improper payment rate. Part of the reason for the significant increase in the improper payment rate may be the change from the Resource Utilization Group (RUG) IV to the PDPM (patient driven payment model) for claims with dates of service on or after October 1, 2019. The primary root cause of SNF errors was found to be missing documentation

This CR is an attempt to increase comprehension of correct billing practices under the PDPM by all SNF providers that bill Medicare. CMS is implementing a 5-claim probe and educate medical review strategy that allows for maximum outreach to all SNFs and offers provider-specific education, as necessary, in an attempt to prevent future improper payments. As always, if the MAC identifies an improper payment the MAC will adjust/deny the individual claim payment, as appropriate, and provide education.

The key elements of this project include:

- All MACs that review SNF Medicare claims
- MACs will select 5 claims from each selected provider
- MACs will complete one (1) round of probe and educate for each selected provider instead of the potential three (3) rounds as instructed by the traditional TPE program.
- Education offered will be individualized based on the claim review errors identified in the probe

B. Policy: This CR does not involve any legislative or regulatory policies.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility
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Number	Requirement	Responsibility							
		A/B MAC		D M E M A C	Shared- System Maintainers				Other
		A	B		H H H	F I S S	M C S	V M S	
	their existing Medical Review Strategy.								

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		
13164.25	Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instructions for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the “MLN Connects” listserv to get MLN content notifications. You don’t need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.	X				

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Heather Wetherson, heather.wetherson@cms.hhs.gov , Susan Shuman, susan.shuman@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0