

New Pricing Tool Implementation: Inpatient Skilled Nursing Facility Prospective Payment System

Effective October 1, 2016, UCare is implementing a new pricing tool for skilled nursing facilities (SNF) for our *UCare for Seniors*, *EssentiaCare* and Minnesota Senior Health Options (MSHO) products. UCare is implementing this tool to more closely align with Medicare claim submission requirements and payment methodologies. This implementation will have minimal impact on providers, but there are two items that we would like to bring to your attention.

1. Multiple Procedure Payment Reduction (MPPR) for Multiple Therapies

The MPPR applies to the HCPCS codes contained on CMS' list of "always therapy" services that are paid under the Medicare Professional Fee Schedule regardless of the type of provider or supplier furnishing the service. In addition, the MPPR applies to all services furnished to a patient on the same day, regardless of whether services are provided in one or multiple therapy disciplines (i.e., physical therapy, occupational therapy or speech language therapy). Because the MPPR applies to all services performed on the same day to the same patient, it is not appropriate to append the -59 Distinct Procedural Service or -X-EPSU modifiers to therapy services.

UCare has been allowing therapy services submitted with one of these modifiers to bypass the payment reduction. Therapy services submitted on or after October 1, 2016, performed on the same day, by the same provider, same group practice or "incident to" a physician's service to the same patient will no longer bypass the MPPR, and will be paid based on Medicare guidelines.

Sources: [MM7050](#)
[MM8206](#)
[CMS.gov Therapy Spotlight](#)

2. Required Submission of 0022 Special Charges Revenue Code

In addition to submitting appropriate revenue codes for room and board and other services furnished during a SNF stay, the 0022 revenue code must be submitted with Health Insurance Prospective Payment System (HIPPS) codes. We have found a number of claims that are being submitted without this information. Effective October 1, 2016, if revenue code 0022 is not included on the claim, it will be denied.

Sources: [Medicare Claims Processing Manual, Chapter 6 - SNF Inpatient Part A Billing and SNF Consolidated Billing, Section 30.4.3](#)

If you have questions about these changes, please send them to prcontractadmin@ucare.org.