March 16, 2015

Q: Is there a rule or requirement that states that a hospital must charge a skilled nursing facility (SNF) at the Physician Fee Schedule rate, as opposed to their private rate, for a resident on a Medicare stay?

A: Unfortunately, there is no requirement that the payment be at physician fee schedule rates. If this is a consistent practice, a contract might be helpful.

In summary, as you obviously know:

- The question pertains to tests provided in connection with the physician visit.
- The physician, of course, must bill Part B for her/his visit. Physician services are excluded from the SNF Part A bundle by legislation.
- However, any x-rays, rehab therapy, etc., must be paid by the SNF, as you are aware. Again, however, there is no requirement that the payment be at Physician Fee Schedule rates. If this is a consistent practice, a contract might be helpful.

Attached is a document prepared by Elise Smith JD, with AHCA. She stated that she knows it indicates that it was written in 2004, but she stated it is still accurate. The category that the services in question fall into is on Chart 1, page 2: “Services Within the General Scope of Comprehensive Care Plans (All services except those specifically excluded by legislation and/or by CMS).” This is unfortunate as are many other aspects of consolidated billing.