

**TO: All Skilled Nursing Facility (SNF) Providers**

**FROM: CareFirst of Maryland, Inc., Medicare Medical Review**

**DATE: January 31, 2002**

**SUBJECT: Skilled Nursing Facility (SNF) Letters to establish Beneficiary Notice of Medicare Non-coverage**

The Medical Review Unit has received Demand Bill medical record submissions that fail to contain the Beneficiary Notice of Noncoverage letter. Please alert appropriate staff that the complete Beneficiary Notice of Noncoverage, is a requirement of the fiscal intermediary for making a medical review decision. When this documentation is not submitted, as instructed in the Additional Development Request (ADR), the Demand Bill will be denied with provider liability.

Providers submitting Demand Bills must send the required Beneficiary Notice of Noncoverage letter with the applicable requested medical records to CareFirst of Maryland, Inc. The Center for Medicare and Medicaid Services (CMS) details this adjudication requirement in Section 357-358 of the Skilled Nursing Facility Manual (HCFA Pub 12).

A Demand Bill is defined as services deemed non-covered by the Skilled Nursing Facility (SNF); however, the beneficiary or beneficiaries representative requests the facility to submit the bill for intermediary review. The provider reports condition code 20 to indicate the beneficiary believes these services may be covered. Section 526.1 and 526.2 of the Skilled Nursing Facility Manual (HCFA Pub 12) details the use of condition code 20. In addition, the provider must obtain, and keep on file, a signed Beneficiary Notice of Non-coverage letter (HCFA Pub 12 §357-358). Please refer to the section 358.2 of the Skilled Nursing Facility Manual (HCFA Pub 12) for the contents of the Beneficiary Notice of Non-coverage letter.

The Beneficiary Notice of Medicare Non-coverage is an integral part of the beneficiary medical record. A copy of the Additional Development Request (ADR) letter is listed for your review.

**PLEASE RETURN THIS LETTER WITHIN 30 DAYS WITH A PHOTOCOPY OF THE APPLICABLE INFORMATION REQUESTED BELOW:**

1. MINIMUM DATA SET (MDS) ASSESSMENTS PERFORMED  
AND
2. **THE BENEFICIARY NOTICE OF NON-COVERAGE (ALL PAGES)**  
AND ALL OF THE FOLLOWING:
  1. PHYSICIAN'S ORDER SHEETS AND PROGRESS NOTES.
  2. NURSE'S PROGRESS NOTES/MEDICATION RECORDS

3. REHABILITATION THERAPY RECORDS (PT,OT,SLP)
4. WOUND CARE RECORDS/DISCHARGE SUMMARY.
5. **THE BENEFICIARY NOTICE OF NON-COVERAGE (ALL PAGES)**
6. PPS PROVIDERS-COPIES OF MDS & ASSESSMENTS PERFORMED DURING BILLING PERIOD  
**\*\*\*\*\*PER TRANSMITTAL AB-00-72/CR 1285, CLAIMS WILL BE DENIED \*\*\*\*\***  
**\*\*\*\*\*IN FULL FOR NON-RECEIPT OF RECORDS AFTER 45 CALENDAR DAYS\*\*\*\*\***  
**MARYLAND MEDICARE PART A/MEDICAL REVIEW**

**Please be aware that failure to submit the Beneficiary Notice of Non-coverage on the original submission of medical records will result in denial of services with provider liability.**

**(Sources: Skilled Nursing Facility Manual (HCFA Pub 12) sections 526.1 and 526.2, 357-358.)**

**THIS BULLETIN SHOULD BE SHARED WITH ALL HEALTH CARE PRACTITIONERS AND MANAGERIAL MEMBERS OF THE PROVIDER/SUPPLIER STAFF. BULLETINS ISSUED AFTER OCTOBER 1, 1999 ARE AVAILABLE AT NO COST FROM OUR WEBSITE AT [www.marylandmedicare.com](http://www.marylandmedicare.com).**

**Questions related to billing SNF claims should be directed to Provider Relation at 1-866-488-0545 and Demand Bill questions regarding Medical Review to Diane Baker of Medical Review at 410-561-4032.**