Centers for Medicare & Medicaid Services, HHS

§ 413.350

Periodic interim payments for skilled nursing facilities receiving payment under the skilled nursing facility prospective payment system for Part A services.

(a) General rule. Subject to the exceptions in paragraphs (b) and (c) of this section, SNFs receiving payment under the PPS for Part A services do not receive interim payments during the cost reporting year, and receive payment only following submission of a bill. Paragraph (d) of this section provides for accelerated payments in certain circumstances.

(b) Periodic interim payments. (1) An SNF receiving payment under the prospective payment system may receive periodic interim payments (PIP) for Part A SNF services under the PIP method subject to the provisions of §413.64(h). To be approved for PIP, the SNF must meet the qualifying requirements in §413.64(h)(3). Moreover, as provided in §413.64(h)(5), intermediary approval is conditioned upon the intermediary’s best judgment as to whether payment can be made under the PIP method without undue risk of its resulting in an overpayment to the provider.

(2) Frequency of payment. The intermediary estimates an SNF’s prospective payments net of estimated beneficiary coinsurance and makes biweekly payments equal to \( \frac{1}{26} \) of the total estimated amount of payment for the year. If an SNF has payment experience under the prospective payment system, the intermediary estimates PIP based on that payment experience, adjusted for projected changes supported by substantiated information for the current year. Each payment is made 2 weeks after the end of a biweekly period of service as described in §413.64(h)(6). The interim payments are reviewed at least twice during the reporting period and adjusted if necessary. Fewer reviews may be necessary if an SNF receives interim payments for less than a full reporting period. These payments are subject to final settlement.

(c) Interim payments for Medicare bad debts and for Part A costs not paid under the prospective payment system. For Medicare bad debts and for costs paid outside the prospective payment system, the intermediary determines the interim payments by estimating the reimbursable amount for the year based on the previous year’s experience, adjusted for projected changes supported by substantiated information for the current year, and makes biweekly payments equal to \( \frac{1}{26} \) of the total estimated amount. Each payment is made 2 weeks after the end of a biweekly period of service as described in §413.64(h)(6). The interim payments are reviewed at least twice during the reporting period and adjusted if necessary. Fewer reviews may be necessary if an SNF receives interim payments for less than a full reporting period. These payments are subject to final cost settlement.

(d) Accelerated payments—(1) General rule. Upon request, an accelerated payment may be made to an SNF that is receiving payment under the prospective payment system and is not receiving PIP under paragraph (b) of this section if the SNF is experiencing financial difficulties because of the following:

(i) There is a delay by the intermediary in making payment to the SNF.

(ii) Due to an exceptional situation, there is a temporary delay in the SNF’s preparation and submittal of bills to the intermediary beyond its normal billing cycle.

(2) Approval of payment. An SNF’s request for an accelerated payment must be approved by the intermediary and CMS.

(3) Amount of payment. The amount of the accelerated payment is computed
as a percentage of the net payment for unbilled or unpaid covered services.

(4) Recovery of payment. Recovery of the accelerated payment is made by recoupment as SNF bills are processed or by direct payment by the SNF.

[64 FR 41682, July 30, 1999]

§ 413.355 Additional payment: QIO photocopy and mailing costs.

An additional payment is made to a skilled nursing facility in accordance with §476.78 of this chapter for the costs of photocopying and mailing medical records requested by a QIO.

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