WHAT YOU NEED TO KNOW ABOUT THE NEW SKILLED NURSING FACILITY (SNF) LAW

Starting October 1, 2021, SNFs can bill separately for hemophilia and other inherited bleeding disorder treatments administered to Medicare beneficiaries needing care in a covered SNF admission. This change allows for separate reimbursement under Medicare Part B for the high-cost treatments needed by individuals with hemophilia and other inheritable bleeding disorders while in the SNF.

Medicare covers short-term stays (less than 100 days) in SNFs. SNFs are paid a prospectively determined daily rate for all SNF services provided to patients covered under a Medicare Part A stay. This bundled payment includes nursing and therapy components, drugs, supplies, and equipment, in addition to a room/board and administration component to cover the cost of a typical patient. Prior to the passage of the Hemophilia SNF Access Act, very few SNFs would admit patients with bleeding disorders because the bundled payment rate did not adequately cover the cost of clotting factor therapies.

Under current law, Medicare allows for certain costly, highly specialized services that SNFs do not typically provide to be billed separately. As of October 1, bleeding disorder treatments have been added to this list. Separate billing under Medicare Part B for bleeding disorder treatments for SNF patients will rectify a long-standing problem for our community and will facilitate placing an individual with a bleeding disorder in a SNF, provided they meet the clinical criteria for placement.

Since the passage of the bill, NHF has worked with the Hemophilia Alliance and the American Health Care Association (AHCA—the trade association for SNFs), to determine how most SNF's will implement this change in policy. AHCA has shared that most SNFs do not have the skilled clinical staff to directly provide bleeding disorder treatment(s) to patients. SNFs will likely contract with a third-party such as an HTC and/or specialty pharmacy to provide the infusion/injection service either at the SNF, HTC, or other facility. The entity providing the service will then bill Medicare Part B for the treatments, not the SNF.

Q: Does this law only apply to hemophilia treatments?

A: No, the change in the law applies to treatments for all inherited bleeding disorders including but not limited to those needed to treat hemophilia A, hemophilia B, and Von Willebrand disease (VWD). While the bill included hemophilia in its name, it included all inherited bleeding disorders. CMS has published the list of product codes (J-codes) that can be billed separately under Medicare Part B.

Q: Is it only clotting factor treatments that are included?

A: No, this change allows for all treatment modalities used to treat an inherited bleeding disorder.

Q: What happens when a new treatment or therapy comes to market?

A: The Secretary of HHS has the authority to expand the list of products that can be billed separately. In addition, during the annual rulemaking for the Medicare SNF benefit, NHF can recommend additions or other changes as part of the comment process. Any new FDA approved treatment that becomes available during that year will be included in our annual comment letter that will be made publicly available. So, while not immediate, the new treatment is expected to be included in the law.

Q: Who does the law apply to?

A: This law only applies to Medicare beneficiaries following a qualified hospital inpatient stay of at least three days (72 hours). Bleeding disorder beneficiaries are likely to use this benefit following surgery or a prolonged inpatient hospital stay, However, coverage under state Medicaid programs and private insurers varies with some allowing for treatments to be billed separately at a rehabilitation/nursing facility. If you are currently insured by private insurance and/or Medicaid and have concerns about placement, please contact Marla Feinstein (mfeinstein@hemophilia.org).

Q: How long will Medicare pay for a SNF stay?

A: Medicare only pays SNF care for up to 100 days. During that time, beneficiaries are expected to show improvements to return to their activities of daily living. Longer SNF stays (days over 100) are paid for by other insurers including Medicaid and long-term care insurance, as well as self-pay.

Q: Are SNFs now required to admit Medicare beneficiaries with a bleeding disorder?

A: No, patients will need to meet the clinical criteria for a SNF admission. Passage of the Hemophilia SNF Access Act removes a major barrier to SNF care.. NHF believes this should be sufficient to alleviate concerns that SNFs have had in accepting bleeding disorder beneficiaries.

Q: How will SNF billing work now?

A: SNFs will be able to contract with a 3rd party (i.e., HTC 340B, specialty pharmacy) to provide, administer, and bill for the prescribed bleeding disorder treatments. This delineation ensures



that the SNF is reimbursed for the bundled services they provide directly, while the contracted 3rd party is reimbursed separately (outside of the bundle) for treatments under Medicare Part B. This approach is similar to how other Part B excluded services like chemotherapy and prosthetics are provided to SNF patients. The SNF should be aware of the new exclusion. It is important to note that co-pays for beneficiaries will be required.

Q: Will the treatments be administered to patients at the SNF or will patients have to be transported to another facility (i.e., HTC, hospital)?

A: HTCs and/or specialty pharmacies will need to work with the admitting SNF to come up with a plan for each patient since both options are allowed. The HTC and/or specialty pharmacy will need to have some form of an agreement to provide services to patients in the SNF or will need to make arrangements to transport the patient to the HTC or other facility to receive treatments.

NHF will be updating this document as more information becomes available. If you have any additional questions or need assistance getting an individual into a SNF, please contact Marla Feinstein at mfeinstein@hemophilia.org.