

JUNE 26, 2010

President Signs Medicare "Patch" and CMS Provides Updated info on Claims

The President just signed the Medicare "patch" last night. Below is the latest information directly from CMS, on claims.

The AOA's strong recommendation to doctors would be to immediately submit the June claims that they may have been holding. Claims should be paid within 14 days of submission and will reflect the Congress's belated directive to correct the 21% cut and provide for a 2.2% increase retroactive to June 1st (and to extend through November 30th).

From: Cebuhar, Barbara (CMS/OEA)
Sent: Friday, June 25, 2010 9:36 AM
To: Butler, Susie E. (CMS/OEA)
Subject: The President Signs the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010

On June 25, 2010, President Obama signed into law the "Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010." This law establishes a 2.2 percent update to the Medicare Physician Fee Schedule (MPFS) payment rates retroactive from June 1 through November 30, 2010. The Centers for Medicare & Medicaid Services (CMS) has directed Medicare claims administration contractors to discontinue processing claims at the negative update rates and to temporarily hold all claims for services rendered June 1, 2010, and later, until the new 2.2 percent update rates are tested and loaded into the Medicare contractors' claims processing systems. Effective testing of the new 2.2 percent update will ensure that claims are correctly paid at the new rates. We expect to begin processing claims at the new rates no later than July 1, 2010. Claims for services rendered prior to June 1, 2010, will continue to be processed and paid as usual.

Claims containing June 2010 dates of service which have been paid at the negative update rates will be reprocessed as soon as possible. Under current law, Medicare payments to physicians and other providers paid under the MPFS are based upon the lesser of the submitted charge on the claim or the MPFS amount. Claims containing June dates of service that were submitted with charges greater than or equal to the new 2.2 percent update rates will be automatically reprocessed. Affected physicians/providers who submitted claims containing June dates of service with charges less than the 2.2 percent update amount will need to contact their local Medicare contractor to request an adjustment.

Submitted charges on claims cannot be altered without a request from the physician/provider. Physicians/providers should not resubmit claims already submitted to their Medicare contractor.

From: Hymes, Jon
Sent: Friday, June 25, 2010 12:02 AM
To: State Executive Directors
Subject: RE: Updated Info on Medicare Physician Fee Cut

Thanks for the terrific response to Tuesday's alert focusing on U.S. House members. Earlier this evening, the U.S. House leaders changed course and moved ahead with a vote to approve the Senate-passed bill funding a six-month Medicare physician payment "patch." The final tally was 417-1. The legislation, which the President is expected to sign on Friday, will replace the 21% Medicare physician payment cut now in effect with a 2.2% increase, to be applied retroactively to claims for services provided on or after June 1st. The "patch" expires November 30th, so there will be a need for further action by Congress this year. We'll keep you posted. In the meantime, please let me know if I can get more info to you on this.