

NEWS BREAK

December 8, 2009

CMS Eliminates Consult Codes-CMA Urges Restoration

As previously reported in *CMA Alert*, the 2010 Medicare payment rule contains a controversial change that would eliminate payments for inpatient and outpatient consultation codes and require physicians to instead bill for either new or established office visits or for initial hospital stays.

Although the payment rule will provide minor increases in payments for some inpatient and outpatient E&M visits to offset losses from the elimination of these codes, physicians asked to provide expert opinions will see an 8 percent reduction or more in reimbursement as a result of this new policy.

The Centers for Medicare & Medicaid Services (CMS) took this step largely due to the Office of Inspector General's findings in 2006 that indicated a high error rate in the use of consultation codes. These inaccuracies are often a product of confusion over what qualifies as a consult, resulting largely from unclear CMS billing guidelines.

CMA is urging CMS to restore the consult codes to the payment rule, and keep the E&M increases. Although CMA fully supports increased payments for E&M services, those increases cannot be paid for by cutting payments for other services. Moreover, elimination of consult codes will create significant confusion as physicians will be required to use codes that do not accurately describe the service they provide. Rather than eliminate these codes, CMA is encouraging CMS to educate physicians about the proper use of consultation codes.

CMA leaders will be meeting with CMS this week in Washington, D.C., urging them to eliminate the provision or at least delay implementation until alternatives solutions can be vetted. CMS has also reopened the comment period on the consultation code issue until December 31, 2009. CMA urges physicians to submit comments urging CMS to maintain the E&M increases, but to eliminate the new consult code payment policy. To submit comments go to www.regulations.gov and enter "CMS-2009-0058-4078" in the keyword or id field.

Contact: Michele Kelly, 714/634-3908 or mkelly@cmanet.org.

Be Prepared for Disruption in Medicare Cash Flow this Month

California's Medicare contractor recently announced a temporary operational change that will result in a "front loading" of payments in December. On Wednesday, December 9, the waiting period for claims payment will be reduced to zero days (normally 14 days for electronic claims and 30 days for paper claims). All claims that have been cleared will be paid immediately.

The temporary elimination of the claims payment floor is part of Palmetto's transition to a new financial accounting system. This may give the appearance that your cash revenues have increased, when in fact payments for some of your claims may have simply been made earlier than normal. Physicians are encouraged to monitor their payments and make adjustments as necessary to prevent cash flow problems later in the month.

No payments will be issued from December 10 through December 15 while the accounting systems are being switched from the old Multi-Carrier System (MCS) to the new Healthcare Integrated General Ledger Accounting System (HIGLAS). Normal payment cycles will resume on December 16.

Physicians should continue submitting claims as normal during this transition. Although no payments will go out December 10 – 15, the payment floor clock WILL tick for claims received during that time period. Physicians should also be aware that access to claims data (both online and from Palmetto customer service) will be extremely limited during the 5-day transition.

To see the announcement from Palmetto go to www.palmettogba.com, click on "JI Part B MAC – CA, HI, NV" then click on "HIGLAS Transition" in the News section.

Contact: Michele Kelly, 714/634-3908 or mkelly@cmanet.org.

What Have MMCMS/CMA Done for You Lately?

Recently, CMA published their "CMA HIT LIST Program Overview." The objective of the CMA HIT LIST program is to thoroughly review EHR products for California Medical Association members and to provide educational resources, standardized comparison tools and objective system review of "top-tier" EHR products in the marketplace. In order to participate with the CMA HIT LIST program, EHR vendors must achieve an overall score of 70 or higher from the combined criteria listed in the overview. The overview lists the vendors that have reached a score of 70 or higher as well as contact information for each of those vendors. To obtain a copy of the "CMA HIT LIST Program Overview" please contact MMCMS at 209/723-2976 or chrisym@pacbell.net.

MMCMS is hosting a luncheon for staff of member physicians on December 14, 2009 where Sandra Siddall, RN, MSN, Provider Outreach Educator for Palmetto GBA will be giving a presentation on "Evaluation and Management Services." Palmetto GBA administers Medicare health insurance for CMS. Many physicians' offices have been having a difficult time with Palmetto since the transition from NHIC last year and this luncheon will provide an opportunity for staff to have some of their questions answered.

Reminder: MMCMS Provides Mailing Labels FREE to Members

If you are planning to mail cards out this holiday season you may want to contact MMCMS for your FREE set of member mailing labels, 209/723-2976 or chrisym@pacbell.net.

Happy Holidays!!!

