



June 3, 2009
Volume 2 issue 5

Reimbursement News

Santa Clara County Medical Association/ 408/998-8850 www.sccma.org

Visit our website at www.sccma.org for more news and calendar of events.



CMA Webinar – How the Stimulus Bill Impacts Your HIPAA Obligations. CMA is hosting a free webinar for members ONLY on June 4 at 12:30pm. For more information and to register, go to www.sccma.org under the Up and Coming Events on the homepage.

Unpaid Claims Piling Up?



Contact Sandie Becker, CMC for assistance with:

- ✓ Carrier failure to process claims in accordance with state law
- ✓ Habitual downcoding
- ✓ Treatment authorization and subsequent denial
- ✓ Payment inconsistent with payer contract
- ✓ Coding guidance

New Medicare Enrollment Rules

New Medicare enrollment rules that recently took effect limit physicians' ability to retroactively collect from Medicare. The new rules, which took effect on April 1, shorten the time frame during which physicians can bill retroactively for Medicare services after enrolling or otherwise changing their enrollment status. Under previous rules, physicians had 27 months to submit retroactive claims for services provided to Medicare patients. Now, claims must be submitted within 30 days.

This change could result in physicians not being paid for services to Medicare beneficiaries, if they do not submit applications or other status changes in a timely manner. For example, if Dr. Smith relocates his practice on September 1, but does not submit an address change to Medicare until December 1, he could lose two months worth of Medicare payments. Dr. Smith can bill retroactively to November 1 (30 days prior to submitting the address change), but he cannot bill for any patients seen during the 60-day period after the move, but before the change of address was filed. The new rules also require physicians to alert Medicare of a change in practice location within 30 days, or risk expulsion from Medicare for up to two years. It is essential that physicians submit new applications and reportable changes accurately and immediately in order to avoid such payment gaps. To avoid unnecessary delays, it is strongly encouraged to utilize Medicare's web-based PECOS enrollment system. <https://pecos.cms.hhs.gov/pecos/login.do>

Legislature Orders Audit of Medi-Cal TAR Process

The Joint Legislative Audit committee recently voted unanimously to approve CMA's request for an audit of the Medi-Cal Treatment Authorization Request (TAR) process. CMA/SCCMA has been advocating for a more efficient TAR process for many years. Over the last five years, the TAR process has been a target for review; however, changes have yet to materialize. The need to change the TAR system was recognized by a 2003 Medi-Cal Policy Institute report and in the 2005 California Performance Review. Both stated that the process was slow, inefficient, inconsistent, and outdated. The TAR program costs the state an estimated \$1.5 billion to administer and creates considerable added paperwork for physicians serving Medi-Cal patients. Since 92% of TARs are granted, the process does little more than delay treatment and increase administrative costs in 9 out of 10 cases.

State Auditor Elaine Howle will do a cost-benefit analysis of this program and make specific recommendations on how to streamline the TAR process. Howle said she expected the audit would take four months to complete.