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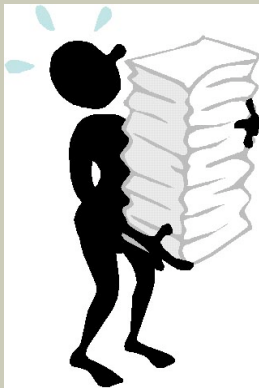
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Coding/Reimbursement News

Santa Clara County Medical Association ● 408/998-8850

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Unpaid Claims Piling up?



*Contact SCCMA's
Reimbursement
Specialist,
Sandie Becker, for
Assistance With:*

- Carrier failure to process "clean claims" in accordance with State law.
- Habitual downcoding
- Treatment authorization and subsequent denial
- Payment inconsistent with payer contract
- Coding guidance

United Healthcare Eliminates "Progressive Fee Schedule"

In response to CMA/SCCMA advocacy, United Healthcare has agreed to stop using its "progressive fee schedule" methodology, which CMA believes to be a violation of state fair payment laws. Currently, United makes significant changes to its fee schedules under the guise of "routine maintenance," without notifying physicians or giving them the opportunity to cancel their contracts. Last year, CMA asked the Department of Insurance to force United to comply with state law, which requires insurance companies to give contracted physicians 45 days notice of any material changes to their contracts. United's progressive fee schedules are developed using third party data (such as Medicare's relative value units). According to United, "routine maintenance" occurs when it "mechanically incorporates revised information created by a third party that is the source for a portion of the fee schedule." Physicians have reported to CMA/SCCMA that payments for some CPT codes have been reduced by as much as 10 percent during such "routine maintenance." These fluctuations make it difficult for physicians to predict the exact amount they will be paid. Contracted providers have been notified as of April 1, 2009, the fee schedule will be fixed to 2008 Medicare RBRVS. Physicians will see no difference in their current reimbursement. Included in the notice, was a sample of the fee schedule. As always, CMA/SCCMA reminds physicians that before signing a health plan contract or contract amendment, it is important to know what value it will bring to your practice. Physicians do not have to accept bad contracts or contracts that are not mutually beneficial. If you do not agree with the proposed change, you may terminate your contract by notifying United in writing prior to the April 1 effective date.

Internet-Based Medicare Enrollment is Available

The Internet-Based Provider Enrollment, Chain and Ownership System (PECOS) is available as a way for physicians and non-physician practitioners to enroll, make a change in their Medicare enrollment, view their Medicare enrollment information on file with Medicare, or check on the status of a Medicare enrollment application via the Internet. In order to access Internet-Based PECOS, you must have an NPPES Use ID and password. This is the same User ID and password providers use to access the NPPES system to view and/or update their NPI information. After a recent open forum call with CMS and providers, it was made clear by a CMS official that the online system must be used by the physician personally. This means no clearinghouses; consultants or even other staff members in physician practices can use PECOS for enrollment purposes. For a complete overview and information on how to use Internet-Based PECOS go to www.cms.hhs.gov/MedicareProviderSupEnroll.

HHS Extends ICD-10 Deadline to 2013

The U.S. Department of Health and Human Services (HHS) recently announced plans to replace the ICD-9-CM code sets now used to report health care diagnoses and procedures with greatly expanded ICD-10 code sets, effective Oct. 1, 2013 – two years later than originally planned.

Developed almost 30 years ago, ICD-9 is now widely viewed as outdated. The United States is among the last to adopt ICD-10-CM/PCS which is already being widely used in countries including the United Kingdom (1995); France (1997); Australia (1998); Germany (2000); and Canada (2001). ICD-9 has more than 17,000 codes while ICD-10 includes more than 200,000 and designed with much greater specificity and clinical information. You may find information on ICD-10 and the implementation by visiting <http://www.cdc.gov/nchs/icd9.htm>.