Medicare Learning Network
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Information for Medicare Fee-for-Service Health Care Professionals

*News Flash –* A Special Edition MLN Matters provider education article is now available at *http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0837.pdf* on the CMS website. This Special Edition article assists all providers who will be affected by Medicare Administrative Contractor (MAC) implementations. It provides information to make you aware of what to expect as your FI or carrier transitions its work to a MAC. This article alerts providers as to what to expect and how to prepare for the MAC implementations and will help to minimize any disruption in your Medicare business.

MLN Matters® Number: MM6310 Revised
Related Change Request (CR) #: 6310
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Related CR Transmittal #: R289PI
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# Incorporation of Physician Fee Schedule Regulatory Changes into Chapter 10 of the Program Integrity Manual (PIM)

Note: This article was revised on April 16, 2009, to reflect a revision made to CR 6310. Specifically, the Centers for Medicare & Medicaid Services modified two requirements of CR6310. The specific change in this article is in the last bullet point under "Timeframes for reporting changes of information" on page 3. That bullet point was changed to show that an overpayment may be assessed. Previously, it stated an overpayment will be assessed. The CR release date, transmittal number, and the Web address for accessing the CR have also been revised. All other information remains the same.

## Provider Types Affected

Physicians, providers, and suppliers submitting claims to Medicare contractors (carriers, Fiscal Intermediaries (FIs), and/or Part A/B Medicare Administrative Contractors (A/B MACs)) for services provided to Medicare beneficiaries

## Provider Action Needed

All Medicare physicians, providers, and suppliers, as well as those who are considering applying to participate in the program should be aware of the new rule and of upcoming changes to the Medicare enrollment process.

## Background

Change Request (CR) 6310 implements regulatory changes found in the CY 2009 Medicare Physician Fee Schedule final rule with comment (CMS-1403-FC). Significant changes are summarized below.

### Effective date of Medicare billing for physicians, certain non-physician practitioners, and Physician and Non-Physician Practitioner Organizations

- Carriers and Part A and Part B Medicare Administrative Contractors (A/B MACs) will establish the effective date of Medicare billing privileges (see 42 CFR 424.520(d)) for physicians, non-physician practitioners, and physician or non-physician practitioner organizations. Physicians, non-physician practitioners and physician and non-physician practitioner organizations will no longer be allowed to establish retrospective Medicare effective billing dates.
- Carriers and A/B MACs will establish an effective date of Medicare billing privileges for the following individuals and organizations: physicians, physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists, certified nurse-midwives; clinical social workers; clinical psychologists; registered dietitians or nutrition professionals; and physician and non-physician practitioner organizations (e.g., clinics/group practices).
- The effective date of Medicare billing privileges for the individuals and organizations identified above is the later of the date of filing or the date they first began furnishing services at a new practice location. Note: The date of filing for Internet-based Provider Enrollment, Chain and Ownership System (PECOS) applications for these individuals and organizations is the date that the contractor received an electronic version of the enrollment application and a signed certification statement that were both processed to completion.
- The individuals and organizations identified above may, however, retrospectively bill for services when:
    - The supplier has met all program requirements, including state licensure requirements, and
    - The services were provided at the enrolled practice location for up to—
        - 30 days prior to their effective date if circumstances precluded enrollment in advance of providing services to Medicare beneficiaries, or
        - 90 days prior to their effective date if a Presidentially-declared disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§5121-5206 (Stafford Act) precluded enrollment in advance of providing services to Medicare beneficiaries.

### Timeframes for reporting changes of information

- Physicians, physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists, certified nurse-midwives; clinical social workers; clinical psychologists; registered dietitians or nutrition professionals; and organizations (e.g., group practices) consisting of any of the categories of individuals identified in this paragraph; the following changes must be reported within 30 days:
  - A change of ownership;
  - A final adverse action; or
  - A change in practice location.
- If an individual or organization identified above does not comply with the reporting requirements relating to, respectively, final adverse actions and practice location changes, the supplier may be assessed an overpayment back to the date of the final adverse action or change in practice location.

### Application rejections and denials for physician and certain non-physician practitioner applications

- Carriers and A/B MACs will deny, rather than reject, incomplete applications submitted by physicians, non-physician practitioners, and physician or non-physician practitioner organizations.
- This change will allow the individuals and organizations identified above to preserve their effective date of filing by submitting a corrective action plan or an appeal and submitting the missing information/documentation to allow the carrier or A/B MAC to adjudicate the enrollment application to completion.

### Revocation effective dates

- A revocation based on a: (1) Federal exclusion or debarment, (2) felony conviction, (3) license suspension or revocation, or (4) determination that the provider or supplier is no longer operational, is effective with the date of the exclusion, debarment, felony conviction, license suspension or revocation, or the date that the Centers for Medicare & Medicaid Services (CMS) or its contractor determined that the provider or supplier is no longer operational.
- Any physician, physician assistant, nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, certified nurse-midwife, clinical social worker, clinical psychologist, registered dietitian or nutrition professional, organization (e.g., clinic/group practices) consisting of the individuals previously identified, or IDTF who/that is revoked from the Medicare program must, within 60 calendar of the effective date of the revocation, submit all claims for items and services furnished.

### Requirements for maintaining ordering and referring documentation

- Carriers or A/B MACs may revoke the billing privileges of any provider or supplier that fails to comply with Medicare's ordering and referring documentation requirements as specified in 42 CFR 424.5216 (f).
- Such revocation is also possible in cases where the physician or non-physician practitioner fails to maintain written ordering and referring documentation for seven (7) years from the date of service.
- Off-site or electronic storage of the ordering and referring documentation described in 42 CFR §424.516(f) is not precluded, as long as these records are readily accessible and retrievable.

### Other changes

- Final adverse action is defined.

## Additional Information

The official instruction (CR 6310) issued to your carrier, FI, and A/B MAC, regarding this change may be viewed at *http://www.cms.hhs.gov/transmittals/downloads/R289PI.pdf* on the CMS website.

If you have any questions, please contact your carrier, FI, or A/B MAC at their toll-free number, which may be found at *http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip* on the CMS website.