Dermatology Coding Alert

Rural Care: Check New Preventive Service Fee Waivers for Medicare Patients

PPACA waived fees starting Jan. 1, but CMS won't until April 4.

If you code for a rural health clinic (RHC), be extra vigilant in assuring proper reimbursement for Medicare preventive services. The Centers for Medicare & Medicaid Services (CMS) has identified a claims processing issue that affects rural health clinics (RHCs) submitting claims for preventive health care services on or after Jan. 1, 2011.

Provisions in the Patient Protection and Affordable Care Act of 2010 (PPACA) waive the coinsurance and deductible for the initial preventive physical examination (IPPE), the Annual Wellness Visit (AWV), and other Medicare-covered preventive services recommended by the U. S. Preventive Services Task Force (USPSTF) with a grade of "A" or "B," effective Jan. 1, 2011. Medicare contractors, however, will not implement the systems changes necessary to correctly process claims for these RHC services until April 4, 2011.

According to a National Institutes of Health (NIH) listserv and the Rural Health Clinics Center on the CMS web site, since additional revenue lines are not separately payable, contractors have been instructed to move the associated charges to the noncovered field and to override reason code 31577 More than one unit is reported with revenue code 052X. This will allow claims to continue processing and not delay payments.

Providers who submit claims between Jan. 1, 2011 and April 3, 2011 should not resubmit affected claims.

"You don't need to resubmit because the contractors will mass adjust the claims in any case," explains **Kent J. Moore,** manager of healthcare delivery and financing systems for the American Academy of Family Physicians (AAFP) in Leawood, Kan. "Resubmission would be unnecessary work on the RHC's part."

Process: To ensure the charges are reflected as covered, contractors will mass adjust the affected claims within 30 days after the claims processing instructions in Transmittal 2122, Change Request (CR) 7208, are implemented April 4, 2011. Detailed HCPCS Level II coding is required, however, to ensure that coinsurance and deductibles are not applied to these preventive services when submitted by RHCs on a 71X type of claim with dates of service on or after Jan. 1, 2011.

When the physician provides one or more preventive services that meets the specified criteria (such as a USPSTF grade A or B) as part of an RHC visit, charges for these services must be deducted from the total charge for purposes of calculating beneficiary copayments and deductibles. For example, if the total charge for the visit is $150, and $50 of that is for a qualified preventive service, the beneficiary copayment and deductible is based on $100 of the total charge. If no other RHC service takes place along with the preventive service, no copayment or deductible applies.

Information: See Transmittal 2122 for the official instruction. Attachment A includes a list of CPT® codes that are defined as preventive services under Medicare and the HCPCS Level II codes for the IPPE and AWV. You can also visit the RHC Center on the CMS website at www.cms.gov/center/rural.asp.