

Internal Medicine Coding Alert

News You Can Use: Take the Money and Run

CMS Has Change of Heart on Proposed Mass Adjustment

Good news for your practice: Internists won't have to cough up overpayments arising from the delayed implementation of the 2003 Medicare Physician Fee Schedule.

CMS had planned to require carriers to collect overpayments from internists relating to certain claims for services provided in January and February of this year. The problem arose from the delay in the effective date of the fee schedule which was March 1, 2003, rather than Jan. 1. Claims with dates of service in January or February were supposed to be paid at 2002 rates. But due to claims-processing limitations, if they were submitted after March 1, they were paid at the higher 2003 rates.

CMS had planned to go after those so-called overpayments in a mass adjustment in July, and has been warning about this move for months. But much to the relief of internists and other physicians, the agency has had an 11th-hour change of heart. If an overpayment exists, you will not be receiving any Demand letters related to an incorrect payment based on the delay of the 2003 MPFS, CMS tells physicians. This also means that Medicare beneficiaries will not be receiving copies of those Demand letters that would have potentially caused unnecessary confusion to them.

To see CMS notice on the mass adjustments, go to <http://cms.hhs.gov/physicians/goodnews.pdf>.

Note: CMS adds an important caveat to its mass adjustment notice: You should be aware that if you bring to the attention of the Medicare carrier that an incorrect payment for January or February 2003 was received, the carrier will still process such an adjustment.