

Optometry Coding & Billing Alert

NEWS YOU CAN USE ~ Congress Freezes CF, Thwarts Payment Cuts

You should expect stable payments in 2008, too

Good news: Congress acted at the very last minute to prevent a steep cut to your reimbursement in January.

The numbers: To keep the reimbursement rate the same, Congress approved a freeze that will keep the conversion fraction (CF) at the current 2006 rate of 37.8975 instead of decreasing it to the scheduled 2007 rate of 35.9848. President Bush signed the measure into law on Dec. 20, 2006.

A freeze of the CF, however, does not mean code payments will remain the same in 2007. Because of the 10.1 percent budget neutrality cut to all work relative value units (RVUs), and other changes to practice expense (PE) RVUs, the CF tells only part of the story. To calculate a code's payment, you also need to look at any changes to the code's work and PE RVUs.

Bottom line: Not only does the new law eliminate your 5 percent pay cut for 2007 but it also creates a fund to stabilize payments in 2008.