

Optometry Coding & Billing Alert

READER QUESTIONS: Anticipate Rate Reversal, Retroactive Payment

Question: Will I need to resubmit the claims I have submitted in 2006 to claim the corrected national physician fee schedule rate?

New York Subscriber

Answer: No. You don't have to take any action to receive the adjusted monies. Carriers will be able to speed the transition to the new fees within two business days after the legislation is enacted, CMS says. Medicare carriers will calculate the additional amount you'll be due and pay it to you as a lump sum no later than July 1.

How it works: Once President Bush signs the budget bill that the House passed on Feb. 1, the conversion factor will revert back to the 2005 rate of 37.8975. The change will be retroactive to Jan. 1, 2006, so you will eventually be unscathed by this year's 4.5 percent reduction.

For instance, a level-three office visit (1.39 non-facility total relative value units on both the 2005 and 2006 National Physician Fee Schedule) would now pay a national rate of \$50.28 using the 2006 conversion factor of 36.1770. Medicare will pay 99213 at an unadjusted rate of \$52.68 and reimburse you the \$2.40 difference on all claims processed at the 2006 original rate.