

Part B Insider (Multispecialty) Coding Alert

Medicare Participation: Non-Par Practitioners Have Two Weeks to Switch Over to 'Par'

If you've been waiting for the opportunity to become a participating practitioner, now's your window

Switching your physician from a non-par to a participating provider is usually not a quick process, but if you want to change your status over now, it will have to be. You have until July 16 to make a change from non-par to par, thanks to a new Medicare opportunity.

Due to frustration with the recent Medicare payment snafus, some practitioners decided to switch their Medicare enrollment to "non-par" status this year, meaning they don't participate directly with Medicare. But thanks to passage of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 last week, which not only reversed cuts to the Fee Schedule effective June 1, but also provided a 2.2 percent boost to the conversion factor, some practitioners are reconsidering their non-par status, and on June 28, CMS announced that those practitioners will have that opportunity now, rather than having to wait until next year to change over.

Here's how: If your current PAR status is "non-participating" but you want to change that, you should complete form CMS-460 and ensure that it's postmarked by July 16. The form is available at www.cms.gov/cmsforms/downloads/cms460.pdf.

Keep in mind: CMS indicates that "any form received during this limited enrollment period will be retroactive for claims with dates of service Jan. 1, 2010 and later," but that doesn't mean your previously-submitted claims will be reprocessed as if you were participating on Jan. 1. "The change in participation status will only apply to new Medicare Physician Fee Schedule claims submitted after your new status as a participating physician/practitioner is processed," the CMS announcement states.

What is 'Non-Par?'

Non-par providers do not accept Medicare payments directly from their local Medicare contractors. Instead, non-par practices charge Medicare patients directly. The patient's MAC then reimburses the patient after the doctor submits the non-assigned claim. "Practices choose to switch to non-par for a variety of reasons, but one of them is that they can charge a maximum amount of 115 percent of the approved fee schedule amount for a service," says **Jay Neal**, a coding consultant in Atlanta.

However, some practices find that the 115 percent charge still doesn't bring them more money, because the maximum limiting charge is only 9.25 percent more than participating providers can collect. Therefore, "unless you collect the limiting charge balance on almost all patients, it may be more profitable for you to become a participating provider," according to information on the Louisiana Medicare Services Web site (www.lamedicare.com/provider/enrollment/parvsnonpar.htm).

"It has been determined that a non-participating provider who accepts assignment on 64.9 percent of his or her Medicare claims must collect 100 percent of the limiting charge amount for nonassigned claims to earn the same amount that a participating doctor would earn," the Louisiana Medicare document states. "Even if you did not take assignment on any Medicare claims, you would need to collect 91.5% of your charges for the nonassigned claims to break even with a participating provider who filed the exact same claims and charges."