

Part B Insider (Multispecialty) Coding Alert

PART B APPEALS: CMS Changes Dollar Amount Threshold for U.S. Court Appeals

\$1,220 must be in dispute to qualify for district court hearing.

Forty dollars may not sound like a lot of money, but it could be enough to shoot down your hopes of getting your appeal heard in court.

Practices that use U.S. District Court appeal hearings as their last resort for getting unclaimed reimbursement may be disappointed to learn that CMS has raised the threshold amount required for these hearings from \$1,180 to \$1,220.

What does this mean? The amount of reimbursement in controversy has to be \$1,120 or more to qualify for federal district court hearings, says **Michael Schaff, Esq.**, of Wilentz, Goldman and Spitzer in Woodbridge, N.J.

On Jan. 30, CMS issued Transmittal 1676, which indicates that it has raised the threshold amount for U.S. District Court hearings effective Jan. 1, 2009.

The good news: Although the district court threshold went up, CMS kept the ALJ appeal amount the same. Last year, the amount in controversy to warrant an ALJ hearing was \$120, and that figure remains in effect for appeals that take place in 2009.

What the ALJ does: If you receive an unfavorable reconsideration determination from your qualified independent contractor (QIC), you can file for review by an ALJ as long as the amount in controversy is at least \$120.

Participation in an ALJ hearing can occur in person, via teleconference, or via telephone, or you can waive your right to appear, says **Michael Lee, Esq.**, in Atlanta.

If the ALJ's decision is unfavorable or partially favorable, your next step is the fourth level in the appeals process, the Medicare Appeals Council (MAC), also known as the departmental appeals board (DAB). If the MAC fails to overturn an unfavorable or partially favorable ALJ decision, Federal District Court is the final stop on your journey through the Medicare appeals process.

To read the CMS transmittal regarding ALJ and district court appeals, visit the CMS Web site online at www.cms.hhs.gov/transmittals/downloads/R1676CP.pdf.