

Part B Insider (Multispecialty) Coding Alert

Part B Payment: Practices to Lose 23 Percent in Pay Next Week Unless Congress Intervenes

Once again, conversion factor is set to drop like a rock, and lawmakers are still waiting to address it.

With the clock ticking toward the end of November, practices are biting their nails and shaking their heads regarding Congress's inaction to stop upcoming cuts to your Part B payment, which are due to kick in on Dec. 1.

As most practices know, last June, Congress voted to not only delay a 21 percent cut to your Medicare pay, but to increase your revenue by 2.2 percent. However, that vote only kept the cuts at bay through November 30 -- and that is coming up next week. Effective December 1, your Medicare pay is set to drop by over 23 percent, unless Congress intervenes to reverse the cuts. Add to that the fact that 2011 payments are due to drop even further starting January 1, and medical practices are facing a perfect storm of payment nightmares. Although Congress was out of session during the early November election period, both the House and Senate are back in Washington, and physician advocacy groups are calling on them to change the conversion factor before the cuts kick in.

"On behalf of seniors and their physicians, the AMA is urging Congress to act before a Medicare meltdown begins on December 1," said AMA President **Cecil B Wilson, MD**, in a Nov. 15 statement.

Cuts could impact enrollment: "This cut could not come at a worse time, as we are now in Medicare's physician enrollment session for next year," Wilson said. "Physicians want to care for seniors, but they are making decisions now about their Medicare participation status while they face a 25 percent cut."

Not only are many physicians prepared to ration their care of Medicare patients, but some are planning to stop seeing Medicare patients all together because they feel unable to practice medicine under such steep pay cuts. 2011 Pay May Ride on Congressional Action As Well While Part B practices have an eye sharply on December pay, they are also concerned over what will happen to payments in 2011, which is right around the bend.

During a Nov. 16 CMS Open Door Forum, CMS reps decided to elucidate information included in the 2011 Medicare Physician Fee Schedule Final Rule, which was recently released (See the Insider Vol. 11 No. 40 and No. 41 for more information).

"The rule is written under current law, which means that it takes into account the schedule of negative updates to the SGR," said CMS's **Amy Bassano** during the call. "If the law were to change, we would put out revised files and rates to reflect any changes in the law," she noted.

Bassano ran down several important points that you don't want to miss in the 2011 Fee Schedule, including the following: Effective Jan. 1, deductibles will be eliminated for most preventive services, as prescribed in the Affordable Care Act, and the 20 percent coinsurance for those procedures will be waived as well. See the Fee Schedule for specifics on which preventive services are covered under this policy. For instance, the new annual wellness visits do have the coinsurance and deductible waived, Bassano said.

Primary care practitioners will receive 10 percent bonuses for certain services, and those payments will be issued on a quarterly basis, Bassano noted. Revisions to the practice expense geographic adjustment will take place, and is "an area of great concern" to Medicare analysts, Bassano said. CMS reps will study this issue further, she said.