

Part B Insider (Multispecialty) Coding Alert

Part B Payment: Proposed 2011 Fee Schedule Offers Vast Benefits for Primary Care Practices

CMS incorporates PPACA regs into next year's fee schedule -- but proposes deeper cuts to conversion factor.

The President signed the Patient Protection and Affordable Care Act (PPACA) into law on March 23, but many practices haven't yet noticed significant impacts from the legislation. In 2011, however, you could see huge boosts from it, because CMS has proposed incorporating many of the law's features into next year's Physician Fee Schedule.

On June 25, CMS released its proposed [Physician fee schedule](#) for 2011. The 1,250-page document, which will be published in the July 13 Federal Register, offers several advantages to medical practices, including bonuses for primary care physicians. "Improving access to preventive services and primary care is a top priority for HHS," said HHS Secretary **Kathleen Sebelius** in a June 25 statement. "The proposed rule is just one part of a broader effort we are making to improve the health status of Medicare beneficiaries."

According to the proposal, primary care practitioners will benefit from a 10 percent bonus starting on January 1, as prescribed in the PPACA.

Practitioners who qualify will be doctors, nurse practitioners, clinical nurse specialists, or physician assistants with the primary specialty designation of family medicine, internal medicine, geriatric medicine, or pediatrics.

To qualify for the 10 percent bonus, the law stipulates that the primary care practitioners will have to bill at least 60 percent of their allowed charges as 'primary care services,' which are defined by E/M codes 99201-99215, nursing facility or rest home care codes 99304-99340, or home services codes 99341-99350.

"The rule we are proposing today is just one part of the Administration's efforts to improve the health status of Medicare beneficiaries by expanding access to preventive services, and promoting early detection and prompt treatment of medical conditions," said **Jonathan Blum**, deputy administrator and director of CMS's Center for Medicare, in a June 25 statement.

Annual Wellness Exam May Pay the Same as 99204

For 2011, CMS also proposes eliminating the deductible and coinsurance for most preventive services, and introducing wellness visits for beneficiaries annually, except during the year of their "Welcome to Medicare" exam. CMS has proposed developing two HCPCS codes to represent the new annual wellness visits, as follows (with the "XXX" representing numbers that have not yet been assigned):

GXXXA -- Annual wellness visit; includes a personalized prevention plan of service (PPPS), first visit

GXXXB -- Annual wellness visit; includes a personalized prevention plan of service (PPPS); subsequent visit

The proposed rule indicates that CMS plans to crosswalk the RVUs of 2.43 from new patient office visit code 99204 to GXXXA, and wants to crosswalk the RVUs of 1.50 from established patient office visit code 99214 to GXXXB.

Look for More Conversion Factor Strife

Not all of the news in the 2011 proposed Fee Schedule is good news. The proposal notes that "the current law estimate of the 2011 conversion factor is \$26.6574," which represents an even deeper cut than practices have been battling in



2010. All told, the proposed 2011 conversion factor would cause you to face another 6 percent cut, over and above the 21 percent cut you faced this year before lawmakers voted to eliminate it.

As noted in last week's Insider, without additional Congressional intervention, you're still set to face a 21 percent cut this December, after the current pay freeze expires on Nov. 30. President Obama has urged lawmakers to permanently reform the Medicare payment formula in the meantime. If that happened, the proposed \$26.6574 figure could be a moot issue.

"We are very concerned about the impact the continuing uncertainty about payment rates and cash flow disruptions may have on physician practices and on beneficiary access to physicians' services," Blum said about the proposed 2011 conversion factor in his June 25 statement. "We are also concerned about the diversion of scarce Medicare resources as we have to adjust our payment operations to the constantly changing legislative landscape."

To read the proposed [fee schedule](#) in its entirety, or for instructions on how to submit comments (due August 24), visit the Federal Register at http://federalregister.gov/OFRUpload/OFRData/2010-15900_PI.pdf.