

Part B Insider (Multispecialty) Coding Alert

Part B Payment: Senate Takes Recess Before Voting on SGR Reform

MACs to hold claims for services that took place on April 1 or thereafter.

Congress made it to the halfway point of passing a new Medicare payment reform bill before taking a recess—but since legislators didn't go all the way in reforming Medicare pay, you could be looking at a lapse in your Part B payments. The Senate's inability to vote on the bill before leaving for a two-week recess means that MACs will now hold your Medicare reimbursement for dates of service on or after April 1 until a more final solution is reached.

Background: Part B practices are dealing with a looming 21 percent reimbursement cut that took effect on April 1. Instead of temporarily halting the pay cut through the end of the year like Congress has done 17 times in the past, legislators decided to permanently fix the Medicare payment formula this year instead of continuing to offer temporary fixes to the Sustainable Growth Rate (SGR) issue.

House votes yes: The House of Representatives passed the bill by a large margin on March 26 and it was set to move into the Senate for confirmation, after which President Obama would have to sign it before it became law. But Senators did not bring the vote to the floor before leaving for a two-week recess on March 27, leaving practices wondering what would happen to their Part B payments.

In the bill: The Medicare and CHIP Reauthorization Act would give 0.5 percent annual boosts to your Medicare pay for five years, after which practitioners would get bonuses based on quality of care rather than the number of procedures they administer. The cost of the plan would reportedly amount to about \$200 billion over the next decade, and some of that cost could be passed on to higher-earning Medicare beneficiaries in a few years, to the chagrin of many Congress members.

Medical associations voiced irritation about the fact that the Senate didn't vote on the bill before recessing. "Their failure to act leaves physicians facing a devastating 21 percent cut in Medicare reimbursements when the current Sustainable Growth Rate (SGR) payment patch expires on March 31," said **Robert M. Wah, MD**, president of the AMA, in a March 27 statement. "Physicians are always working to provide the highest quality of care for their patients and the bipartisan bill passed by the House provides a clear pathway for them to do that," he added. "We urge the Senate to immediately address this issue upon their return and once-and-for-all lay this destructive issue to rest by building the stable and sustainable Medicare program that our nation's patients and physicians need and deserve."

Claims being held: When April 1 arrived, CMS announced that practices would not yet face the 21 percent cut. "CMS is taking steps to limit the impact on Medicare providers and beneficiaries by holding claims for a short period of time beginning on April 1," CMS said in an April 1 MLN Connects Provider News email. "Holding claims for a short period of time allows CMS to implement any subsequent Congressional action while minimizing claims reprocessing and disruption of physician cash flow in the event of legislation addressing the 21 percent payment reduction."

Stay tuned: Keep an eye on the Insider to see whether a permanent SGR elimination is passed, and if so, how it will impact you.