

Part B Insider (Multispecialty) Coding Alert

PARTICIPATION: July 'Double Whammy' Could Hit Nonparticipating Hardest

It just keeps getting more and more confusing.

Now, not only will your payments from January and February be adjusted down to 2002 levels come July, but you'll also face a whole new slew of headaches as well. Any physician who chooses to revoke participation in Medicare by the April 15 deadline must request a payment adjustment dating back to March 1.

That's because the participation agreements executed by April 15 are retroactive to March 1. And so is any decision by a physician to revoke Medicare participating status, the **Centers for Medicare & Medicaid Services** explains in a new question-and-answer document posted on its Web site.

"If a physician changes his enrollment status after he submits March and early-April claims, he will need to contact his carrier to request a payment adjustment for those March and April claims processed using the pre-March 1 enrollment status," CMS explains.

Meanwhile, CMS also says that if a physician chooses participating status as of March 1, any adjustments made in July to payments from January and February will be based on the physician's participating status as of February. In other words, physicians who take advantage of the extra time to choose participating status will still face a higher financial burden if they weren't participating back in February.

Are you confused yet?

Whenever providers change from participating to nonparticipating, it often leads to payment headaches because Medicare pays participating providers only 95 percent of the allowable, says consultant **Quin Buechner** with **ProActive Consultants** in Cumberland, Wis. Nonparticipating providers can then bill patients another 15 percent of the allowable.

Buechner advises physicians that Medicare often takes a while to catch up to providers that have revoked participating status and thus overpays for a while, necessitating refunds. But this is an unusually severe mess, he says, in part because of the "double whammy" that will hit providers in July if they weren't participating in February.