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Part B Insider (Multispecialty) Coding Alert

PHYSICIAN NOTES: Forget About Applying To Own A Specialty Hospital This Year

CMS keeps the brakes on physician-owned hospitals for rest of year

The moratorium on physician investment in specialty hospitals ended on June 8, but the **Centers for Medicare and Medicaid Services** immediately called a halt again.

For the next six months, CMS regional offices and state survey agencies won't process new specialty hospital enrollment applications or issue any new provider agreements. Nor will they authorize an initial survey for a specialty hospital after June 8. During that six-month period, CMS will work on reforming specialty hospital payments and Medicare enrollment procedures.

But CMS' suspension doesn't apply to specialty hospitals that submitted a Medicare enrollment application or requested an Advisory Opinion from CMS on or before June 9.

Medicare introduced new HCPCS codes for high osmlar contrast agents effective July 1. They include Q9958 (HOCM, up to 149 mg/ml iodine concentration, per ml); Q9959 (... 150 - 199 mg/ml iodine concentration, per ml); Q9960 (...200 - 249 mg/ml ...); Q9961 (...250 - 299 mg/ml ...); Q9962 (... 300 - 349 mg/ml ...); Q9963 (... 350 - 399 mg/ml ...); and Q9964 (... 400 or greater mg/ml ...).

CMS also introduced a new code for inhalation solution of Iloprost (Q4080) in Transmittal 580 (Change Request 3847).

Medicare could reap millions in savings if it only followed the HHS Office of Inspector's recommendations to the letter, the OIG claims in its new semiannual fraud report. In particular, CMS could save $1.1 billion by removing some codes from the covered list for ambulatory surgery centers and setting more consistent payment rates for outpatient departments and ASCs. CMS issued a proposed rule to slash 100 procedures from the ASC-covered list, but then backed down from implementing it, but it still may set more consistent rates for ASCs and other settings.

Medicare also could save $96.8 million by scrutinizing payments for nail debridement services in medical review and tightening debridement documentation requirements, the OIG insists. CMS has promised to educate podiatrists on Medicare policy for paying nail debridement claims and "maximize the effectiveness of its medical review strategy."

CMS revealed its plan for transitioning to the new National Provider Identifier. Medicare will accept a new NPI as long as it's accompanied by an existing Medicare provider number from Jan. 3, 2006 to Oct. 1, 2006. And then from Oct. 2, 2006 to May 22, 2007, Medicare will accept either an NPI or an old provider number. And finally, on May 23, 2007, Medicare will only accept an NPI.

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