

Part B Insider (Multispecialty) Coding Alert

PHYSICIAN NOTES: Help Your Patients Sign Up For Do-It-Yourself Drug Coverage

The **Department of Health and Human Services** unveiled a demo program June 24 that plans to enroll 50,000 seriously ill beneficiaries for at-home medication coverage.

According to **HHS Secretary Tommy Thompson**, the Medicare Replacement Drug Demonstration, which was allotted \$500 million for pharmaceutical spending under the reform bill, will target beneficiaries without prescription drug coverage. The plan will extend Medicare coverage of medicines patients can take at home.

Covered drugs include treatments for rheumatoid arthritis, multiple sclerosis, and pulmonary hypertension. In addition, 40 percent of the funding will cover oral anti-cancer medications.

Beneficiary cost sharing for these drugs will give beneficiaries a taste of the Medicare Part D prescription drug benefit coming in 2006, the HHS says. Beneficiaries with incomes below the poverty level would pay even less.

To be eligible for the demonstration, beneficiaries must be enrolled in Medicare Part A and Part B; have Medicare as their primary payer; have no comprehensive drug coverage through other sources; and have their physician sign the form certifying medical need for one of the covered drugs. Applications will be accepted from July 6 through Sept. 30, and may be downloaded at <http://www.cms.hhs.gov/researchers/demos/drugcoveredemo.asp>.

The Centers for Medicare & Medicaid Services corrected the 2004 physician fee schedule in the June 25, 2004 Federal Register, p. 35527. The changes, effective last January, include two supplies (Polaroid film and gonisol) left out of the Practice Expense Advisory Committee recommendations for CPT codes 76511-76516, 76519 and 76529. CMS also corrected status indicators for CPT codes 36416 and 47133, practice expense RVUs for 61863, 61867 and 88358, and work RVUs for 31629. Finally, the practice expense RVUs for 78804 were revised to reflect "the appropriate crosswalk."

The American Medical Association said it'll study the possibility of creating a national standard to clarify when it's appropriate to bundle services for coding, using code combinations and modifiers. A resolution adopted June 15 at the AMA House of Delegates calls for a study to develop a national standard consistent with CPT guidelines and usable by all payors.

CMS decided to delay the effective date of one sentence in its Stark II regulations, which stated that physician-hospital arrangements would be considered "set in advance" if the methods of determining compensation is "set in advance and do not change over the course of the arrangement in any manner that reflects the volume or value of referrals or other business generated by the referring physician." This sentence now takes effect July 26.