

Part B Insider (Multispecialty) Coding Alert

PHYSICIAN NOTES: Medicare Needs More Up-To-Date Data On Your Practice Expenses

CMS should consider scrapping '50 percent' rule, commissioners say

The **Centers for Medicare & Medicaid Services** could make the tangled process of figuring out your practice expenses a lot easier, according to commissioners with the **Medicare Payments Advisory Commission**.

CMS could set a schedule to review the wages of your clinical staff and the costs of your supplies on a regular basis. The agency also could review the costs of more expensive and newer items more often than other items, commissioners said. And finally, CMS could scrap the assumption that you use each piece of equipment at 50 percent of its capacity.

Currently, CMS figures out costs for each specialty and then allocates those costs to individual services, in a "top-down" approach. CMS wants to move to a "bottom-up" approach, using data for services to figure out overall practice expenses.

MedPAC also wants to consider ways to coordinate care of chronic patients across different settings. Medicare could coordinate their care using a large physician group practice or other large organization, or by having your office interact with an external care management organization.

In other news:

- Confusion over whether Part B or Part D will cover a particular Medicare drug is causing chaos for physicians and patients, according to a report in the Chicago Tribune. Many pharmacists and customer service reps are confusing Part B and Part D, with physicians spending hours untangling the resulting mess.

For example, Part B will pay for methotrexate for heart transplant and cancer patients, but not for arthritis patients. Also, Part B will pay for albuterol when it's administered via nebulizer in the home, but not via hand-held unit or via nebulizer in a nursing home.

Also, an increasing amount of chemotherapy is administered orally, which means Part D will cover it instead of Part B, physicians noted in the March 6 meeting of the **Practicing Physicians Advisory Council**. Physicians worry that Part D plans won't cover chemotherapy drugs for "off-label" uses, which are commonly used.

PPAC recommended that CMS keep track of how long physicians spend appealing Part D drug coverage decisions and the costs of extra care due to the fact that patients must use a different drug than the doctor ordered.

- The **Dept. of Health & Human Services** has awarded about \$42 million in contracts to help develop health information technology, according to a new report by the **Government Accountability Office**.

- If you've been receiving electronic remittance advice (RA) notices for at least 45 days, you won't receive paper RAs any longer, thanks to Transmittal 885, dated March 10.