

Part B Insider (Multispecialty) Coding Alert

PHYSICIAN NOTES: Rural Counties Could Reap More Cash From Geographic Payment Fix

Plus: Don't hold your breath for NPI database

Physicians who are getting shortchanged by the current geographic payment system have a new ally in the **Government Accountability Office (GAO)**.

The problem: Medicare has 89 physician payment localities and adjusts your payment levels depending on which locality you're in. Seven California counties have sued the **Department of Health & Human Services**, saying their doctors receive much lower rates than doctors in nearby counties. The GAO notes that Medicare allowed some states to consolidate their entire state into one payment locality in the 1990s, while other states are still fragmented.

More than half of the current localities had counties where physicians' costs were at least 5 percent more or less than Medicare's estimate for the region, the GAO said. These 447 counties were located all over the country but especially in Georgia, California, Minnesota, Ohio and Virginia.

The solution: The GAO urged the **Centers for Medicare & Medicaid Services (CMS)** to fix all the payment localities based on a national standard. After that, CMS should update the localities- on a regular basis.

The response: CMS prefers its current squeaky-wheel approach. That is, when one particular locality raises issues with its payment rates, then CMS will address the problem on a case-by-case basis. Prediction: This will only make the current situation worse because the localities that complain most will get the best treatment, the GAO warns. CMS said it would consider the GAO's suggestions but added that it might create too much of an administrative nightmare.

In other news:

- CMS once again delayed the long-awaited release of the National Provider Identifier (NPI) database, which it was supposed to make available months ago. CMS had promised to allow you by June to look up the NPIs of doctors you do business with and then had delayed the database launch until Aug. 1.

Now, CMS has delayed the database access once again--and won't even say when it plans to release the database. Perhaps CMS has decided that it can't miss a deadline if it does not set one.

- Part B carriers received almost the lowest scores in the latest Medicare Contractor Provider Satisfaction Survey (MCPSS), with only durable medical equipment carriers coming in lower. You rated your carriers an average of 4.42 on a scale of one to six, while hospitals rated their intermediaries a bit higher, at 4.66. **Noridian** and **Cigna** rated toward the bottom, with **WPS**, **Highmark** and **Health-Now New York** at the top.