

## **Part B Insider (Multispecialty) Coding Alert**

### **Regulations Under Development**

The Centers for Medicare & Medicaid Services put another six-month delay on the effective date of a provision in the Jan. 4, 2001, Stark rule, granting another welcome reprieve to teaching hospitals and medical centers that were marking Jan. 7 as the launch of a paperwork nightmare.

The controversy is over a single sentence in the Stark reg that deals with percentage compensation arrangements and the definition of "set in advance." Many of the exceptions to the Stark rule that apply to compensation arrangements can only be invoked if the amount of compensation is set in advance. According to a notice published in the Dec. 24 Federal Register, CMS is trying to decide whether its interpretation of "set in advance" automatically excludes percentage compensation deals from the Stark exceptions - a reading that could leave teaching hospitals, physician practices and medical foundations scrambling to rework thousands of contracts.

This is the fourth time CMS has delayed the rule, which is now effective July 7, 2004. The agency reiterates that the "set in advance" issue will be definitively worked out in the Stark Phase II rule.

To see the notice delaying the rule, go to [http://www.access.gpo.gov/su\\_docs/fedreg/a031224c.html](http://www.access.gpo.gov/su_docs/fedreg/a031224c.html).