

Part B Insider (Multispecialty) Coding Alert

REIMBURSEMENT: Stay Tuned For Rule Revolutionizing RVUs

Include the 'KX' modifier on every line of your PT claims

You could get a glimpse of the future of your reimbursement soon--and it's not all bright.

The **Centers for Medicare & Medicaid Services** (CMS) shocked providers when it issued a list of codes that would see drastic drops in their practice expense payments under a new proposal. Audiologists, hematologists and cardiologists stood to lose double-digit percentages. (See PBI, Vol. 7, No. 7.) There were four possible methods of calculating practice expenses, with different impacts on doctors.

Now CMS officials say they'll put out a proposed rule laying out its plans for changing practice-expense calculations in the next few weeks. The rule will also cover the five-year review of relative value units (RVUs), which is expected to boost evaluation & management (E/M) codes at the expense of surgical procedures, CMS officials told the May 18 physician Open Door Forum.

At the Open Door Forum, CMS officials also said:

- CMS will soon fix a problem that causes physical therapy claims to be denied when only some of the items on the claim form have the "KX" modifier. That modifier indicates that the claim is exempt from physical therapy caps. For now, though, you should include the "KX" modifier on every single line of a claim if one or more lines require it.
- The carriers will definitely be scrutinizing your documentation for physical therapy in your offices in response to a recent **HHS Office of Inspector General** report. (See PBI, Vol. 7, No. 19.)
- The whole payment system for Ambulatory Surgery Centers (ASCs) will change in 2008 to allow you to bill for all outpatient services in an ASC, unless the services are unsafe in that setting. But in 2007 you can just expect a smaller set of changes that will expand the list of physician procedures you can bill for in an ASC.