

Part B Insider (Multispecialty) Coding Alert

Transmittals: Kiss Grace Period for New Codes Goodbye

HIPAA kills 90-day safety zone

Feeling tied up in knots by new coding requirements? Now you can blame the Health Insurance Portability and Accountability Act for another layer of inflexibility.

HIPAA requires the Centers for Medicare & Medicaid Services to scrap the 90-day grace period that used to be in place for changes to HCPCS, CPT and ICD-9 codes, according to two new transmittals (Nos. 89 and 95).

The grace period aimed to allow providers "to ascertain the new codes and learn about the discontinued codes," CMS says.

HIPAA's "transaction and code set rule requires usage of the medical code set that is valid at the time that the service is provided," the agency says. "Therefore, CMS is eliminating the 90-day grace period for billing discontinued ICD-9-CM diagnosis codes" effective Oct. 1, 2004, and HCPCS and CPT codes effective Jan. 1, 2005, CMS tells providers in the Feb. 6 transmittals.

So when the new ICD-9 codes take effect Oct. 1, the old codes will phase out immediately, and the same thing will happen when new CPT codes take effect next Jan.

1. Also in new transmittals:

1. Starting this July, there will be a new name for first-level Medicare appeals - redeterminations - CMS decrees in Feb. 6 Transmittal 97.

And that's not the only change. Contractors must complete all redeterminations within 60 days and use a new letter to inform providers of their decisions. More appeals-system changes required in recent years' Medicare laws will be forthcoming, CMS promises.

2. Tired of getting conflicting advice from different carriers?

Instead of relying on various contractors to write up provider education articles on new CMS instructions in the very short window of time after their issuances, CMS will now provide both the instruction and the education article at the same time, the agency says in Transmittal 54, issued Feb. 5. "CMS has decided to prepare consistent materials for contractor outreach for Medicare providers in a centralized fashion," available on CMS' Medlearn Web site (www.cms.hhs.gov/medlearn/matters).

[CMS aims to eliminate disparities due to differing interpretations or just confusing or inadequate educational language, it says.](#)

3. CMS clarified how the Health Professional Shortage Areas program affects psychiatrists, who can receive the 10 percent bonus that doctors receive if they're in a primary-care shortage area or a mental-health shortage area, according to Transmittal 78, issued Feb. 6.