

## Psychiatry Coding & Reimbursement Alert

### Part B Payment: Look at Keeping Medicare Payment Collections Smooth With This Expert Analysis

**Watch for what regulations are going to impact your bottom line in 2014.**

If you are looking at new payment regulations and how to avoid hurting your practice's profits, have a look at the answers to three frequently asked questions that will guide you through the bottom line details of the conversion factor, sequestration cuts, and the upcoming switch to ICD-10 this October.

**Question 1:** I read that Congress voted to delay the 20.1 percent conversion factor cut until the end of March. Was that delay finalized, and if so, what is the new conversion factor?

**Answer:** Yes, President Obama signed the three-month conversion factor delay into law on Dec. 26, 2013, as part of the Bipartisan Budget Act of 2013. Therefore, you won't have to worry about taking a major Medicare pay cut until April 1. Not only did the law avoid a cut in the conversion factor, but it also included a 0.5 percent raise. When all calculations were finalized, the 2014 conversion factor is \$35.8228 from Jan. 1 through March 31.

To read the complete Bipartisan Budget Act of 2013, visit [www.gpo.gov/fdsys/pkg/BILLS-113hjres59enr/pdf/BILLS-113hjres59enr.pdf](http://www.gpo.gov/fdsys/pkg/BILLS-113hjres59enr/pdf/BILLS-113hjres59enr.pdf). The discussion about the 2014 conversion factor starts on page 32.

**Question 2:** Have the sequestration cuts been halted for 2014?

**Answer:** Although you may have heard that Congress's deal in early December included averting some of the sequestration cuts, it does not impact the two percent cut to Medicare that kicked in last April. In fact, the sequester cuts were extended for another two years through the end of 2015.

Of course, Congressional intervention could take place down the road to reverse these cuts, but at this point they are still impacting your Medicare pay. For more information on the SEQUESTRATION cuts, visit the "Frequently Asked Questions About Sequestration: An update for FY 2014" at [democrats.budget.house.gov/committee-report/frequently-asked-questions-about-sequestration-under-budget-control-act-2011](http://democrats.budget.house.gov/committee-report/frequently-asked-questions-about-sequestration-under-budget-control-act-2011).

**Question 3:** Now that Stage 2 of the Meaningful Use requirement has been extended, does that mean that ICD-10 will be delayed as well?

**Answer:** No. Although the Centers for Medicare & Medicaid Services (CMS) did extend Stage 2 of Meaningful Use through 2016 and Stage 3 through 2017, you won't see such a delay for ICD-10. CMS has repeatedly stressed the fact that there will be no delay beyond the implementation date of Oct. 1, 2014, and the American Medical Association (AMA) recently urged physicians to prepare, since ICD-10 is a federal mandate and will take effect this year.

**What you can do:** Want to determine whether your ICD-10 systems will be ready when the new diagnosis coding system takes effect? You can test out your ICD-10 coding skills this spring with a dry run that CMS plans to offer practices who want to submit sample ICD-10 claims, CMS announced in MLN Matters article MM8465, published on Nov. 1.

During the week of March 3 through March 7, 2014, your MAC will allow you to send in your test claims that include ICD-10 codes. If you have difficulty processing the claims, you'll be able to contact the help desk to figure out what went wrong. In addition, you will get electronic acknowledgement of your test claims that will tell you whether they were accepted or rejected.

After the testing period ends, CMS will share information about the percentage of test claims that were accepted versus rejected, and will offer additional information about lessons learned during the testing period.

To read more about the ICD-10 test dates, visit the link at

[www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM8465.pdf](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM8465.pdf).