

Health Information Compliance Alert

Industry News: Brace For Changes In The Appeals Process

Providers who submit claims to a Medicare fiscal intermediary will be operating under revised claims appeals rules starting in August. **CMS** has finalized wide-ranging revisions to appeals in a recent Federal Register notice.

Among the changes is a requirement that providers must add any issues to an appeal within 60 days of the original 180-day period for appealing the claim payment.

Multiple commenters argued against this change, CMS notes in the rule. They said it restricts provider appeal rights, denies access to appeals and fails to give providers enough time to identify issues.

But CMS stuck to its guns. "For the efficient administration of the appeals process, we believe our policy of having the appeal resolved as early as possible, while at the same time giving the parties to the hearing ample opportunity to present their cases, is appropriate," the agency maintains.

In other news...

Officials from **CMS**, the **American Academy of Family Physicians** and the **Department and Health and Human Services** offered a glimpse of where they see the e-prescription program going during a July 21 conference call.

An **Institute of Medicine** report revealed that over 1.5 million Americans are injured annually by drug errors, and another study noted that pharmacists make more than 150 million phone calls per year to physicians to clarify what was written on a prescription, HHS Secretary **Mike Leavitt** said during the call. "That's a lot of people needlessly hurt and a lot of time spent trying to sort out bad handwriting."

Bonus: "Beginning in 2009 and over the following four years, doctors will be eligible for additional payments from Medicare when they prescribe electronically," Leavitt said. "The first year they will get two percent extra, the next year one percent, and from 2011 and on, they will get a half a percent."

By 2014, CMS will phase out the bonus payments and physicians who aren't e-prescribing will face penalties. "We expect that this will have a profound affect on the adoption and use of e-prescribing," Leavitt said.

For a replay of the CMS call, dial 800-839-7073.