

Health Information Compliance Alert

Industry News: If you think the ICD-10 codes won't apply to your Medicare claims as of Oct. 1, 2013, CMS has news for you.

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Not only will your claims be denied if you continue to submit ICD-9 codes to Medicare after that date, but you could face fines. CMS representatives shed light on this and several other issues during the agency's May 18 "ICD-10 National Provider Teleconference."

What are the penalties for entities that are covered under HIPAA who choose not to use ICD-10 codes as of Oct. 1, 2013? Your claims will be denied -- and you technically could face fines since use of the ICD-10 codes falls under the HIPAA transaction code set regulations, CMS reps noted.

Denials: "From a practical standpoint, as of service dates of Oct. 1, 2013, if you don't use ICD-10 codes, most likely your claims will be returned and will be asked to transition to ICD-10," Buenning said.

Fines: "The penalties are the same penalties that any HIPAA entity would be subject to," Buenning noted. "I think most of you are familiar with the ongoing HIPAA transaction codeset penalty that calls for a maximum of \$25,000 per covered entity per year, but the HITECH legislation of last year actually upped those transaction and codeset penalties, and they can be as much as \$1.5 million per entity per year. So obviously it behooves everybody -- Medicare and Medicaid inclusive -- to make sure we are compliant with these ICD-10 codes by the Oct. 1, 2013 date," she added.

CMS Paid First EHR Incentive Bonuses Last Week.

Part B practices that have been using electronic health records (EHRs) under CMS's guidelines cashed in last week, when CMS sent out the first incentive payments under the EHR Incentive Program. Eligible professionals (EPs) who participate in the program receive a payment based on 75 percent of their Medicare allowed charges, with a maximum 2011 incentive payment of \$18,000, according to a May 18 CMS news release.

EPs cannot collect incentive payments until they meet a \$24,000 threshold in allowed Medicare charges. You will collect your EHR incentive payment via electronic funds transfer or by paper check, and the money will be issued to the taxpayer identification number (TIN) selected during EHR Incentive Program registration. The payments will not come from your MAC, but from a separate contractor working with CMS.

Therefore, CMS encourages you not to call your MAC regarding EHR incentive payment issues. Instead, the EHR Information Center can be reached at 888-734-6433.

Now Sign On With Cigna Using Electronic Contracting.

In late April, Cigna announced that it was introducing electronic contracting. According to a press release by the payer, "now CIGNA is able to decrease the time it takes to add new health care professionals into its network by half."

Non-par physicians and practices with fewer than five physicians that want to sign on with Cigna for the first time -- and want a standard contract -- will be able to use a secure web site to complete the contract process and sign the necessary documents. The system will use EchoSign electronic signature technology to meet compliance and legal requirements.

"Electronic contracting expedites the overall contracting process for physicians and enables CIGNA to more quickly add physicians to its growing network," said Cigna's **Julie Vayer**, Vice President, Health Care Professional Solutions in the press release. "This is just one way CIGNA is making it easier for health care professionals to do business with us."

Pay Attention To This Deadline Or Risk Your Cash Flow: Cahaba-To-CIGNA Contractor Transition Has Nationwide Impact.

Missing these crucial deadlines in the Cahaba-to-CIGNA transition could cut off your Medicare payments.

1st deadline: You must return a revised CMS-588 EFT Authorization Agreement to CIGNA Government Services as soon as you receive a letter from CIGNA requesting it, CIGNA had told its providers. The letters to HHAs and hospices went out in early March and providers were required to return the agreement letters by May 6. In addition to the EFT agreement, providers had to submit a completed CMS-588 form and a voided check or bank letter of verification, CIGNA explained.

"If you fail to complete and return the updated EFT Authorization and account information to CGS, your payments will be discontinued after the transition," CIGNA had warned. "However, completion of this information now will ensure that your electronic payments continue."

2nd deadline: On June 13, HHAs and hospices currently serviced by Cahaba must start submitting claims to CIGNA with new contractor ID number 15004, CIGNA said in a separate message. That ID number will replace Cahaba's current 00011 ID number.

"Beginning on [June 13], the Current Contractor IDs are no longer valid, and you must use the NEW MAC Number or claims will be rejected," CIGNA pointed out. On that date, Cahaba will turn over all claims processing, customer service, payments, and in-process operations such as appeals and enrollment applications to CIGNA, "regardless of the date of service," the MAC says.

The May 6 deadline could stop your cash flow, even if you're not in one of the 15 states Cahaba GBA serves. CIGNA Government Services will take over Cahaba's home health and hospice contract for Medicare in mid-June. "Cahaba, for many years, was the alternative Medicare Intermediary for all states (except Iowa)," noted **Mark Sharp** with BKD in Springfield, Mo. "Accordingly, the 5/6/11 deadline for Cahaba providers to establish EFT with CIGNA affects not only those in the states listed, but anyone who has Cahaba as their Medicare Intermediary," Sharp told **Eli**.

And if you don't get your new EFT and related documentation in, you won't get Medicare payments once the switchover occurs June 13. "I suspect many providers with Cahaba ... are unaware of the importance of the 5/6 deadline for submission of the request for EFT," Sharp said.

Auditors have been known to tap into hospitals' wireless hotspots from the parking lot to see if patient information is freely accessible.

Your practice has to navigate various compliance issues every single day, and it can be hard to get answers from the OIG on how to resolve specific problems. The OIG discussed many of these issues during its four-hour HEAT Provider Compliance Training session on May 17, where OIG experts offered advice on how to avoid healthcare fraud and abuse, and what to do if you find these issues in your practice.

Ensure that your EHRs are totally secure. Electronic health records (EHRs) offer improved accessibility to providers who want to review patient charts. However, in some cases, this accessibility causes security issues, Taitsman said.

"In some of our information technology audits, we have OIG auditors who will sit in the parking lot of a hospital with a laptop computer and drop on to the hospital's wireless network and actually be able to access patient information that's supposed to be private."

Tip: Confirm that your EHRs and other systems are configured securely so that patient information stays completely confidential.