

Health Information Compliance Alert

PECOS: May 1 Is Your Deadline For PECOS Edits, Says CMS

Ensure your physician's NPI is on the file.

If your ordering/referring providers aren't properly enrolled in PECOS and listed in the correct specialty you're risking claims denials and pay losses. After May 1, claims without an ordering/referring physician's NPI will be rejected. CMS recently confirmed that these denials will begin on May 1, according to MLN Matters article SE1305.

CMS had previously hinted at a May 1 deadline with the pre-release of this article, but quickly rescinded it, and re-released it on March 1. The article states, "Effective May 1, 2013, CMS will turn on the edits to deny Part B, DME, and Part A HHA claims that fail the ordering/referring provider edits."

Be Ready Before May 1

You probably already know that if your physician performs a service as a result of an order or referral, your claim must include the referring or ordering practitioner's national provider identifier (NPI). What many practices don't realize is that even if the physician has an NPI, he may not necessarily be in the PECOS system, and starting in May, you could face penalties if you perform services referred or ordered by doctors that are not part of PECOS or the MAC's claims system.

How this happens: If the referring/ordering doctor has a valid NPI but has not updated his enrollment in the last five years, he may not be in the PECOS system. CMS instituted two phases of penalties for practices that report services that are ordered or referred by physicians that aren't in PECOS or the MAC's claims system, as follows:

Phase 1: Between Oct. 5 and April 30, 2013, your MAC will search the PECOS system and the MAC's own claims system for the ordering/referring provider. If the provider is not in PECOS or the claims system, the claim will continue to process and the Part B provider or supplier will receive a warning message on the Remittance Advice. The informational messages thus far have either been identified as N264 (Missing/incomplete/invalid ordering provider name) or N265 (Missing/incomplete/invalid ordering provider primary identifier).

Phase 2: After May 1, CMS will hit you in the pocketbook by denying your claim if your ordering physician isn't part of PECOS or the MAC's claims system. In fact, even if the ordering doctor is part of PECOS or the claims system, but is not of the specialty to order or refer, the claim will be rejected.

This change will hit specialties that take a lot of referrals the hardest □ such as those that perform extensive diagnostic testing or labs.

Resource: The MLN Matters article outlines which specialties are allowed to refer or order services, and you can read it in its entirety at www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE1305.pdf.

Keep Track of NPIs

CMS's new penalty phase will mean that your practice has to remain as vigilant as ever in tracking the NPIs of physicians that refer or order services. Although it may sound like an extra step, it could save you time filing appeals later down the

road.

If you are part of a specialty where you are subject to an unusual number of physician orders, you may want to put an extra step in place when you accept a physician order, during which you specifically request the physician's NPI.

NPI registry search: CMS created a searchable database that allows you to look up a physician's NPI if you can't get it from the practice. To access the registry, visit the CMS Web site at <https://nppes.cms.hhs.gov/NPPES/NPIRegistryHome.do>