

Chiropractic Coding & Compliance Alert

Reimbursement/Policy: Know How the "Final Doc Fix" Saves You From 21 Percent Pay Cuts and More

The new law brings in chiropractic documentation education, new quality-reporting incentives.

The U.S. Senate witnessed a historic moment in April with the "Final Doc Fix" that would change the way you get paid forever. The Senate approved the Medicare Reform Legislation on April 15, thereby averting the 21 percent pay reduction for providers, and laid to rest the annual "Doc Fix" deadline drama.

Why Was The Fix Necessary?

For years, the imposition of the SGR payment formula threatened to produce unsustainable reductions in Medicare payment levels for all Medicare providers. The SGR formula had no incentives for individual performance and made the payments amounts uncertain year after year.

"It was consistently becoming harder and harder to meet the bottom line when practices had a high percentage of Medicare patients," observes **Doreen Boivin, CPC, CCA**, with Chiro Practice, Inc., in Saco, Maine. "The decrease in the amount reimbursed to the provider would have crippled the practice if it wasn't monitored correctly."

"I am pleased to see this flawed system, in place for nearly 20 years, eliminated," said American Chiropractic Association (ACA) President **Anthony Hamm, DC**, in an ACA press release dated Apr.15. "Now chiropractic physicians don't have to fear double digit cuts in reimbursement every year."

Know What Went Into the Making

In late March, the House of Representatives passed Medicare reform legislation designed to permanently solve the SGR problem. There was an April 1 deadline for potential reimbursement rate reductions for providers, for which the Centers for Medicare and Medicaid Services (CMS) announced its intent to hold all Medicare claims and halt processing for the first two weeks of April. Finally, after a lot of discussions, the bill was passed on April 15 with the painstaking efforts of the Republican House Speaker John Boehner and Democratic Minority Leader Nancy Pelosi, and signed into law by President Obama.

Key features of the bill include:

- All physicians would receive a 0.5 percent per year increase in payments over the coming four years, until 2019.
- The bill implements, from 2019 onwards, a system of bonuses and penalties based on performance, an Alternative Payment Model (APM) or a Merit Based Incentive Payment System (MIPS).
- From 2019 to 2024, providers generating revenue from APM would get a 5 percent bonus, and those going by the MIPS would qualify for a portion of \$ 500 million pool allocated for providers with exceptional performance.

What's In It For You?

Here's how DC's can benefit from the new law.

Documentation reeducation: As part of the ongoing federal effort to reduce Medicare claim error rates, the legislation requires HHS and ACA to develop an education program to help improve chiropractic documentation in consultation with Medicare Administrative Contractors (MACs). This needs be implemented by Jan. 1, 2016.

"Documentation is key and educating the providers is a great benefit for all involved. It will definitely improve reimbursement issues where documentation is involved," believes Boivin.

"This provision will provide ACA the opportunity to educate those who are not compliant with clinical decision-making and documentation of the Medicare patient," explained Hamm in an ACA press release dated April 15, 2015. "At the same time, it will also offer ACA the opportunity to better interact with CMS and the individual MACs to provide a better understanding of our unique model of patient care."

DCs with higher denial rate: Under the provision, DCs whose claim denial rates are out of line with the rest of the profession could be subject to pre-authorization standards established by HHS.

Sincerity pays: DCs with a good record of claims based on proper documentation and those who avail themselves to the education program will avoid pre-authorization requirements that non-compliant providers could eventually face.

Mint money with quality care: Another provision of interest to the profession is the Merit-Based Incentive Payment System (MIPS), following which one would qualify for a portion of \$500 million pool allocated for providers with exceptional performance. Currently, there are three existing quality incentive programs including:

- Physician Quality Reporting System (PQRS)
- EHR Meaningful Use
- Value-Based Modifier.

Beginning in 2019, these will become one single program to ease reporting and shed the dispensable paperwork. So, get ready for adjustment in future payments based on your performance in four areas:

- Quality
- EHR meaningful use
- Resource use
- Clinical practice enhancement endeavors.

Good going for chiropractics: "ACA worked hard to assure that DCs were included in this vital new program," Hamm stated in the April 15 press release. "With quality reporting about to become the lynchpin of Medicare reimbursement, it is essential that chiropractic physicians are included." He added that "all of this does not preclude ACA's goal of achieving full parity for chiropractic physicians in the Medicare program. Our work continues with Congress and the Obama administration to demonstrate that chiropractic physicians can serve Medicare patients in an efficacious and cost-effective manner."

Final takeaway: The struggle has been worth it. "Chiropractic physicians treat a myriad of symptoms when they adjust the Medicare patients," explains Boivin. She adds that, "they provide care otherwise not successful or even thought of in another physician practice. We need to continue to document with confidence and clarity to show the treatment is providing improvement in the health and functionality of the individual being treated."

Read more: ACA report: http://www.acatoday.org/press_css.cfm?CID=5660

The entire bill: <https://www.congress.gov/114/bills/hr2/BILLS-114hr2rds.pdf> WCA report: Medicare Payment Alert: