

HBS Update

June 30, 2010

RHC Billing Presentation added to www.ruralhealthclinic.com

We added the slides from our Billing presentation in Robinson, Illinois on June 17, 2010 to our website at www.ruralhealthclinic.com today. We will update these and use some of the basics for our Billing 101 Seminar in Hilton Head, SC on July 16, 2010. Here is a link to the slides and the signup page for the seminar.

[2010 RHC Billing Seminar PDF of Powerpoint Slides in Robinson IL on June 17 2010.pdf](#)

[Hilton Head, SC RHC Billing 101 Seminar, July 16, 2010](#)

This seminar is sponsored by:



www.mdeverywhere.com

PECOS Deadline approaching July 6, 2010

On May 5, 2010, CMS published interim final rules in the Federal Register related to PECOS and providers responsibility regarding registering with Medicare in the PECOS system. These rules are effective July 6, 2010 and may be enforced as early as July 6th or may enforced as late as January, 2011. Here is a link to the Federal Register with the PECOS regulations:

<http://edocket.access.gpo.gov/2010/2010-10505.htm>

Healthcare Business Specialists
Suite 214, 502 Shadow Parkway, Chattanooga, TN 37421

This subject has been very well reported by Bill Finderfrock and the National Association of Rural Health Clinics at <http://www.narhc.org/index.php> and I highly recommend subscribing to their List-serve which is very active. Here is the link: http://www.narhc.org/members/members_listserve.php. Most of this information is from Bill and his responses to questions regarding PECOS. I thought that since this subject is very important to rural health clinics and their providers that I would summarize the information Bill and other people who posted on the List-serve.

“PECOS is the name of the enrollment initiative. You can either enroll (or update) via Internet-based PECOS or by using a paper application. The internet-based process is only available to individuals and groups - RHCs must enroll manually as the electronic process is not currently available to providers such as RHCs.

Internet-based PECOS can accelerate the enrollment process (or updating of information if already enrolled).

Providers who are already enrolled in Medicare must revalidate their information to ensure that it is up-to-date. You should be contacted by your Medicare Contractor to let you know but your providers can revalidate at any time and do not need wait to be contacted by the Contractor in order to revalidate. You are encouraged to use internet-based PECOS to revalidate but you are not required to use this system.

There are several issues here that need to be addressed.

In order to bill Medicare for services provided to a Medicare patient, a provider must be enrolled in Medicare (i.e. PECOS - Provider, Enrollment, Chain and Ownership System). That's not anything new. The RHC is enrolled in Medicare and in most instances, the individual practitioners (physicians, PAs, NPs, etc.) are individually enrolled in Medicare.

What is new is that in order for Medicare to pay physicians for services provided to patients referred to that provider or for services ordered by another provider, the ordering or referring provider must be enrolled in

Healthcare Business Specialists
Suite 214, 502 Shadow Parkway, Chattanooga, TN 37421

Medicare. What that means is if a patient comes into the RHC and the patient is referred to a radiologist for an image or a lab for lab services, IF the ordering or referring provider is NOT enrolled in Medicare, then Medicare will not pay the radiologist or pathologist (or lab) for that service.

Many RHC providers working in the clinic environment have not felt it necessary to enroll in Medicare individually (or have not updated their enrollment information) because they were not submitting Medicare claims. Now, however, it is imperative that All providers who will be referring patients to other providers or ordering services for their Medicare patients. Failure to enroll will likely result in many specialists or providers (lab, home health, DME, etc.) refusing to see these patients because they cannot get paid by Medicare. Several months ago, CMS announced that the “ordering and referring” provider enrollment requirement would become effective in January, 2011. More recently, however, legislation has been enacted that authorizes CMS to begin enforcing this policy in early July. CMS has not officially announced how they intend to proceed. Although it is clear that the policy will be effective on July 6th, it is possible that CMS will defer enforcement of the policy until 2011. we anticipate an announcement from CMS in the very near future on how it intends to enforce this new requirement.

If your providers are not individually enrolled in Medicare, they are strongly encouraged to do so. Just a note that in discussion with our CMS representative, if providers who work for clinics and other entities and do not use their individual provider numbers, these individual Medicare Part B provider numbers will roll off the enrollments every year for non use.

THIS WILL REQUIRE ALL PROVIDERS TO REENROLL ANNUALLY BEFORE THE ANNIVERSARY DATE.

If Medicare does not come up with some fix, all these providers will have to be sure and watch closely the annual date of their enrollment so that they are not left being unenrolled automatically.

Healthcare Business Specialists
Suite 214, 502 Shadow Parkway, Chattanooga, TN 37421

Several folks have inquired about a way to determine whether a physician, PA, NP, etc. was enrolled in the PECOS system. CMS is periodically publishing a listing of all providers enrolled in PECOS. Here is a link to that listing. It is more than 13,000 pages long. You can search by last name or NPI number. For some providers, you will need to know both. You'd be amazed at how many providers have the same name!

<http://www.cms.gov/MedicareProviderSupEnroll/downloads/OrderingReferringReport.pdf>

If you want to find out the NPI for a provider, you can go to the NPI registry and search for a provider (either an individual or a group) by name and address:

<https://nppes.cms.hhs.gov/NPPES/NPIRegistryHome.do>

Although the NPI database is regularly updated, the PECOS listing is only done every few months. Consequently, it is conceivable that a provider has enrolled in PECOS but his/her name just hasn't shown up on the list yet.

I also want to clarify something I said yesterday. I said that if you are enrolled in Medicare, you are in PECOS. This is always NOT correct. It is possible for a provider to be enrolled in Medicare without being on the PECOS system. If a provider enrolled in Medicare several years ago and has not updated his/her enrollment within the past few years, that provider will likely not be in the PECOS system. By checking the PECOS list, you can determine whether this is something you need to do.

If you do not find your provider(s) on the PECOS list, you should contact your Medicare contractor to begin the enrollment/revalidation process so that he/she will show up on the PECOS enrollment list.”

All of that information was from the National Association of RHCs and Bill Finerfrock. The Fall Institute is in Reno on October 20-22 and to register here is a link:

https://secure.siteoncall.com/events/register_online.php?event=252

The document on the following page was posted regarding PECOS.

Healthcare Business Specialists
Suite 214, 502 Shadow Parkway, Chattanooga, TN 37421



All TrailBlazer Part A and Part B notices will be posted to this site. Users are able to view the latest information from TrailBlazer and CMS, such as CR or JSM instructions, or easily retrieve the most up-to-date information without searching the entire site. The CMS mandated notices will include a link to the CMS Web site where providers may view the transmittals in their entirety. For your convenience, notices are listed in date order with the most current being shown first. This page is updated daily.

Clarification Regarding Date All Referring/Ordering Providers Must Be Enrolled in PECOS
(6/24/2010)

On May 5, 2010, CMS published CMS-6010-IFC (Interim Final Rule with Comment Period) in the *Federal Register*. The rule is titled, "Medicare and Medicaid Programs; Changes in Provider and Supplier Enrollment, Ordering and Referring, and Documentation Requirements; and Changes in Provider Agreements." Based on the IFC, provisions contained in the rule will be effective July 6, 2010. Providers are interpreting the IFC rule to mean that all referring/ordering providers must be enrolled in the Provider Enrollment, Chain and Ownership System (PECOS) by July 6, 2010, which in their view contradicts the **January 3, 2011, date currently in effect based on directives issued in Change Request (CR) 6417.**

To clarify the required dates for the ordering/referring provider to be enrolled in Medicare, please consider the following information.

When new regulations or changes to current regulations affect the Medicare program, CMS publishes the regulations in the *Federal Register* in the form of Final Rules. Although regulations are published in the *Federal Register*, Medicare contractors do not perform any action to implement the provisions contained in those rules until CMS issues official directives in the form of CRs. CRs are developed by CMS with specific instructions to contractors on how and when Medicare requirements must be implemented. At this time, TrailBlazer has **not** received a CR from CMS directing us to perform any action in relation to the provisions addressed in CMS-6010-IFC.

TrailBlazer continues to comply with the directives CMS issued in CR 6417, which established claims processing editing to verify the referring/ordering provider submitted on a claim is of the type to order/refer the service billed and is enrolled in Medicare as recorded in the national PECOS files or the contractor's master provider files. The effective dates outlined in CR 6417 are provided below for further clarification.

Important Dates

October 5, 2009, through January 2, 2011 – For claims received during this period for services/items requiring a referring/ordering provider, claims processing editing will verify the ordering/referring provider submitted on the claim is of the specialty eligible to order/refer and is either enrolled in PECOS or on the contractor's master provider file. If either of those requirements is not met, the billing provider receives an **informational message** explaining that the claim failed the ordering/referring provider edits. The claim will continue processing during this time period.

January 3, 2011 – For claims received on or after this date for services/items requiring a referring/ordering provider, claims processing editing will verify the ordering/referring provider submitted on the claim is of the specialty eligible to order/refer and is either enrolled in PECOS or the contractor's master provider file. If either of those requirements is not met, the billing provider will **not receive payment for the ordered/referred services/items billed.**

References

- CR 6417:
<http://www.cms.gov/transmittals/downloads/R6420TN.pdf>.

Healthcare Business Specialists
Suite 214, 502 Shadow Parkway, Chattanooga, TN 37421

- MLN Matters® Article for CR 6417:
<http://www.cms.gov/MLNMattersArticles/downloads/MM6417.pdf>.
- CMS-6010-IFC:
<http://edocket.access.gpo.gov/2010/2010-10505.htm>.

This content pertains to...

Programs: Part B

Topics: Claims, Education, Facility Types, Provider Enrollment, Specialty Services

Subtopics: Cardiology, IDTF, Internet-Based PECOS, NPI, Podiatry, Psychiatry, Radiation Therapy, Radiology, Therapy Services



Privacy Policy | Disclaimer | About Us | Links | Help | Site Map
© 2010 TrailBlazer Health Enterprises®/TrailBlazerSM. All rights reserved.

And here is Bill's comments on the document:

“In general, I believe that what Trailblazers states in the 6/29/2010 announcement that was posted on the Listserve yesterday is consistent with what I've heard from CMS – as it relates to Trailblazers book of Medicare business.

Healthcare Business Specialists
Suite 214, 502 Shadow Parkway, Chattanooga, TN 37421

However, I do not believe it is reflective of what will happen with orders for either Home Health or DME. Trailblazers is NOT a Home Health or DME contractor for CMS and their announcement does not cover these services. I believe that CMS' contractors for Home Health and DME will deny claims for these services beginning on or around July 6th if the referring/ordering provider is not enrolled in PECOS.

We have nothing official from CMS but based upon conversations I have had with several CMS officials over the past few weeks, RHCs should anticipate the likelihood that orders for DME or Home Health from providers not enrolled in PECOS will not be covered by Medicare. This will likely cause some DME providers and Home Health agencies to refuse to accept orders/referrals from these providers.

The ordering/referring policy is being applied universally (i.e. RHCs were not singled out). CMS appears, however, to be enforcing this policy selectively – not for RHCs but for Home Health and DME. What Trailblazers put out was accurate as far as it relates to the services Trailblazers covers. Trailblazers does not process Medicare claims for either DME or Home Health and therefore is not in a position to know what CMS intends to do in these areas. This point was not made clear in their communication and I was concerned that many RHCs would presume that all enforcement of the ordering/referring policy would be delayed. I do not believe this will be the case.

The ordering/referring policy is part of a major effort to combat fraud and abuse. CMS believes – and the data supports this belief – that Medicare is particularly vulnerable for false claims for DME and Home Health. That is why DME and Home Health will initially be the primary enforcement areas. By ensuring that the providers who are ordering DME or referring patients for Home Health are properly enrolled providers, CMS hopes to significantly reduce the number of false or fraudulent claims for these services.

The rejection of claims for DME or Home Health from providers not enrolled in PECOS is applicable to any provider, not just to RHC providers. Similarly, the ability of “non-enrolled” providers to continue – for the time

Healthcare Business Specialists
Suite 214, 502 Shadow Parkway, Chattanooga, TN 37421

being – to order or refer patients for services other than DME or Home Health (i.e. x-ray, lab, etc.) and have those services covered by Medicare is not RHC specific.”

Additionally, someone posted bits and pieces of the CFR which is as follows:

Maybe reading it straight from the CFR will help. Here are some excerpts straight from the **42 CFR Parts 424 and 431** (comments are open on the CFR till July 6th):

“In addition, it adds requirements for providers, physicians, and other suppliers participating in the Medicare program to provide documentation on referrals to programs at high risk of waste and abuse, to include durable medical equipment, prosthetics, orthotics and supplies (DMEPOS), home health services, and other items or services specified by the Secretary.”

Effective date: These regulations are effective on July 6, 2010.

...a provider or supplier who is eligible for an NPI must report the NPI on the Medicare enrollment application..... so that the NPI will be added to the provider’s or supplier’s enrollment record in PECOS. A physician who ordered home health services and a physician and an eligible professional who ordered or referred items of DMEPOS or laboratory, imaging, and specialist services is required to maintain documentation for 7 years from the date of the order, certification, or referral and, upon request of CMS or a Medicare contractor, to provide access to that documentation. The documentation includes written and electronic documents (including the NPI of the physician who ordered the home health services and the NPI of the physician or the eligible professional who ordered or referred the DMEPOS, laboratory, imaging, or specialist services) relating to written orders or requests for payments

for items of DMEPOS and home health, laboratory, imaging, and specialist services. Note that we are clarifying that the documentation includes both written and electronic documentation.”

With all that is happening with PECOS and the need for some answers it may be a good time to listen to the **Rural Open Door Forum on July 20, 2010**. Here is the link with the time and call instructions:

<https://www.cms.gov/OpenDoorForums/Downloads/Rural072010.pdf>

Electronic Health Records Incentive Website

CMS is online with the Official Web Site for the Medicare and Medicaid EHR Incentive Programs.

<http://www.cms.gov/EHRIncentivePrograms/>

This official web site provides up-to-date, detailed information about the Electronic Health Record (EHR) incentive programs and includes some of the following helpful downloads:

[Fact Sheet: Medicare and Medicaid EHR Incentive Programs: Title IV of Recovery Act](#)

[Press Release: CMS and ONC Issue Regulations Proposing a Definition of "Meaningful Use" and Setting Standards for EHR Incentive Program](#)

[Copy of Published Proposed Rule for EHR Incentive Programs and Definition of Meaningful Use \[7.37 MB\]](#)

[Fact Sheet: Proposed Requirements for Medicaid EHR Incentive Program](#)

[Fact Sheet: Proposed Requirements for Medicare EHR Incentive Program](#)

[Fact Sheet: Proposed Definition of Meaningful Use](#)

RHC Update and Billing Seminar Schedule

We had to move back the dates on the RHC seminars to early Fall, so if you see the August dates on some of our older newsletters, remember we have moved those seminar dates back a little bit. Here are the new dates.

<i>Date</i>	<i>Location</i>	<i>Subject</i>	<i>Time</i>
<i>Friday, July 16</i>	Hilton Head, SC	RHC Billing	9:30 to 4:00
<i>Thursday, Sept. 16</i>	Nashville, TN	RHC Update	9:30 to 4:00
<i>Friday, September 17</i>	Knoxville, TN	RHC Update	9:30 to 4:00
<i>Friday, October 8</i>	Birmingham, AL	RHC Update	9:30 to 4:00
<i>Thursday, Sept. 30</i>	Kansas City, MO	RHC Billing	9:30 to 4:00
<i>Tuesday, October 19</i>	Reno, NV	RHC Billing	9:30 to 4:00

If you are interested in sponsorship opportunities, have a good location for the seminars, or if you would like for us to conduct a seminar in your location with content specific to your location or situation, please contact us. Here is the link sign up for our Newsletter:

 **Sign up for our Email Newsletter**

Privacy by  SafeSubscribeSM

For Email Newsletters you can trust

Thanks for reading this and if you have questions or need RHC Cost Reporting, Annual Evaluations, Startups, or other RHC work, please contact us at:

Mark R. Lynn
RHC Consultant
Suite 214, 502 Shadow Parkway
Chattanooga, TN 37421
Telephone: (423) 899-0945
Fax: (800) 268-5055
Email: la_vita_nouva@hotmail.com
Website: www.ruralhealthclinic.com