

***CMS Updated Information Regarding the Holding of Claims for Services Paid Under
The 2010 Medicare Physician Fee Schedule***

This is a clarification to the listserv message that was issued on December 21, 2009. The President has signed the Department of Defense Appropriations Act of 2010 which provides for a zero percent (0%) update to the 2010 Medicare Physician Fee Schedule for a two month period, January 1, 2010 through February 28, 2010.

The Centers for Medicare & Medicaid Services (CMS) is working with Congress, health care providers, and the beneficiary community to avoid disruption in the delivery of health care services and payment of claims for physicians, non-physician practitioners, and other providers of services paid under the Medicare physician fee schedule, beginning January 1, 2010. In this regard, CMS has instructed its contractors to hold claims for services paid under the Medicare Physician Fee Schedule (MPFS) for up to the first 10 business days of January (January 1 through January 15) for 2010 dates of service. This should have minimum impact on provider cash flow because, by law, clean electronic claims are not paid any sooner than 14 calendar days (29 days for paper claims) after the date of receipt. Meanwhile, all claims for services delivered on or before December 31, 2009, will be processed and paid under normal procedures.

The holding of claims allows Medicare contractors time to receive the new, updated payment files and perform necessary testing before paying claims at the new rates. CMS has instructed contractors to begin processing claims at the new rates **no later than** January 19, 2010. Please note that most contractors are closed on the January 18 Martin Luther King Day holiday. Therefore, even absent a new update, most claims likely would not have been paid any sooner than January 19, 2010, given the aforementioned statutory 14-day payment floor.

CMS has extended the 2010 Annual Participation Enrollment Program end date from January 31, 2010, to **March 17, 2010**— therefore, the enrollment period now runs from November 13, 2009, through March 17, 2010.

The effective date for any Participation status change during the extension, however, remains January 1, 2010, and will be in force for the entire year.

Contractors will accept and process any Participation elections or withdrawals, made during the extended enrollment period that are received or post-marked on or before March 17, 2010.

In addition, be on the alert for more information about other legislative provisions which may affect you.