



News Flash – The reporting period for the 2009 Physician Quality Reporting Initiative (PQRI) has begun. Eligible professionals choosing to participate in the 2009 PQRI through claims-based submission of individual quality measures should have started submitting appropriate 2009 Quality Data Codes on qualifying Part B claims with a date of service of January 1, 2009 or later. Information on the 153 2009 PQRI measures, release notes, detailed specifications, and a guide to assist implementing PQRI measure reporting are available at http://www.cms.gov/PQRI/15_MeasuresCodes.asp on the CMS website. Information on alternative reporting periods and reporting criteria for satisfactory reporting of measures groups can be found at http://www.cms.gov/PQRI/25_AnalysisAndPayment.asp on the CMS website.

MLN Matters® Number: MM6417 **Revised**

Related Change Request (CR) #: 6417

Related CR Release Date: February 26, 2010

Effective Dates: Phase 1: October 5, 2009,
Phase 2: January 3, 2011

Related CR Transmittal #: R6420TN

Implementation Dates: Phase 1: October 5, 2009,
Phase 2: January 3, 2011

Expansion of the Current Scope of Editing for Ordering/Referring Providers for claims processed by Medicare Carriers and Part B Medicare Administrative Contractors (MACs)

Note: This article was revised on March 30, 2010, to reflect the changes in the release of a new CR 6417 on February 26, 2010. The implementation date for some of the requirements of Phase 2 is being changed from April 5, 2010, to January 3, 2011 (see page 3, third bullet). The Transmittal number, CR release date and Web address for accessing the CR has also been changed. All other information remains the same.

However, it is extremely important to read MLN Matters® Special Edition article, SE1011, at <http://www.cms.gov/MLN MattersArticles/downloads/SE1011.pdf> to see important clarifying information regarding this issue.

Provider Types Affected

Physicians, non-physician practitioners, and other Part B providers and suppliers submitting claims to carriers or Part B Medicare Administrative Contractors (MACs) for items or services that were ordered or referred. (A separate Article (MM6421) discusses similar edits affecting claims from suppliers of durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) for items or

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services that were ordered or referred, and relates to CR 6421. That article is at <http://www.cms.gov/MLN MattersArticles/downloads/MM6421.pdf> on the CMS website.)

Provider Action Needed

This article is based on change request (CR) 6417, which requires Medicare implementation of system edits to assure that Part B providers and suppliers bill for ordered or referred items or services **only** when those items or services are ordered or referred by physician and non-physician practitioners who are eligible to order/refer such services. Physician and non-physician practitioners who order or refer must be enrolled in the Medicare Provider Enrollment, Chain and Ownership System (PECOS) and must be of the type/specialty who are eligible to order/refer services for Medicare beneficiaries. Be sure billing staff are aware of these changes that will impact Part B provider and supplier claims for ordered or referred items or services that are received and processed on or after October 5, 2009.

Background

CMS is expanding claim editing to meet the Social Security Act requirements for ordering and referring providers. Section 1833(q) of the Social Security Act requires that all ordering and referring physicians and non-physician practitioners meet the definitions at section 1861(r) and 1842(b)(18)(C) and be uniquely identified in all claims for items and services that are the results of orders or referrals. Effective January 1, 1992, a provider or supplier who bills Medicare for an item or service that was ordered or referred must show the name and unique identifier of the ordering/referring provider on the claim.

The providers who can order/refer are:

- Doctor of Medicine or Osteopathy;
- Dental Medicine;
- Dental Surgery;
- Podiatric Medicine;
- Optometry;
- Chiropractic Medicine;
- Physician Assistant;
- Certified Clinical Nurse Specialist;
- Nurse Practitioner;

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- Clinical Psychologist;
- Certified Nurse Midwife; and
- Clinical Social Worker.

Claims that are the result of an order or a referral must contain the National Provider Identifier (NPI) and the name of the ordering/referring provider and the ordering/referring provider must be in PECOS or in the Medicare carrier's or Part B MAC's claims system with one of the above types/specialties.

Key Points

- **During Phase 1 (October 5, 2009- January 2, 2011):** If the billed item or service requires an ordering/referring provider and the ordering/referring provider is not in the claim, the claim will not be paid. It will be rejected. If the ordering/referring provider is on the claim, Medicare will verify that the ordering/referring provider is in PECOS and is eligible to order/refer in Medicare. If the ordering/referring provider is not in PECOS the carrier or Part B MAC will search its claims system for the ordering/referring provider. If the ordering/referring provider is not in PECOS and is not in 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. If the ordering/referring provider is in PECOS or the claims system but is not of the specialty to order or refer, the claim will continue to process and the Part B provider or supplier will receive a warning message on the Remittance Advice.
- **During Phase 2, (January 3, 2011 and thereafter):** If the billed item or service requires an ordering/referring provider and the ordering/referring provider is not in the claim, the claim will not be paid. It will be rejected. If the ordering/referring provider is on the claim, Medicare will verify that the ordering/referring provider is in PECOS and eligible to order and refer. **Effective January 3, 2011, if the ordering/referring provider is not in PECOS, the carrier or Part B MAC will search its claims system for the ordering/referring provider. If the ordering/referring provider is not in PECOS and is not in the claims system, the claim will not be paid. It will be rejected. If the ordering/referring provider is in PECOS or the claims system but is not of the specialty to order or refer, the claim will not be paid. It will be rejected.**
- In **both phases**, Medicare will verify the NPI and the name of the ordering/referring provider reported in the claim against PECOS or, if the ordering/referring provider is not in PECOS, against the claims system. In paper claims, be sure not to use periods or commas within the name of the ordering/referring provider. Hyphenated names are permissible.

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- Providers who order or refer may want to verify their enrollment in PECOS. They may do so by accessing Internet-based PECOS at <https://pecos.cms.hhs.gov/pecos/login.do> on the CMS website. Before using Internet-based PECOS, providers should read the educational material about Internet-based PECOS that is available at http://www.cms.gov/MedicareProviderSupEnroll/04_InternetbasedPECOS.asp on the CMS website. Once at that site, scroll to the downloads section of that page and click on the materials that apply to you and your practice.

PLEASE NOTE: The changes being implemented with CR 6417 do not alter any existing regulatory restrictions that may exist with respect to the types of items or services for which some of the provider types listed above can order or refer or any claims edits that may be in place with respect to those restrictions. Please refer to the Background Section, below, for more details.

Additional Information

You can find the official instruction, CR6417, issued to your carrier or B MAC by visiting <http://www.cms.gov/Transmittals/downloads/R642OTN.pdf> on the CMS website.

If you have any questions, please contact your carrier or B MAC at their toll-free number, which may be found at <http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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