Provider Partnership Program (PPP) E-mail Notification Archives

June 2, 2008

NPI: Medicare Fee-For-Service Update & Medicare Reminder Regarding Accelerated/Advance Payments

The NPI is here. The NPI is now. Are you using it?

NPI News for Medicare FFS Providers

Medicare FFS Update
Medicare FFS has made excellent progress over the past week, since fully implementing the NPI. In fact, the favorable trend in NPI compliance is better than we expected with most of the Medicare contractors reporting that over 90 percent of claims are NPI-compliant, with some reporting 100 percent compliance. Furthermore, we have experienced relatively few problems to date and we are working daily with our contractors to help resolve those issues that exist.

We would like to point out that, on May 23, there were a number of rejections for claims with legacy numbers in the SECONDARY provider identifier field. As indicated, we are seeing this particular issue rapidly improve as more and more providers realize the need for NPI-only in secondary identifier fields and the relative ease in which they can appropriately complete these fields.

In the way of background, Medicare allowed legacy-only numbers in the secondary fields up until May 23. To assist those billing providers which, after reasonable effort, are still unable to obtain NPIs for secondary providers, Medicare has instituted a temporary measure that allows billing providers to use their own NPI in secondary identifier fields. Thus, providers are not unduly burdened to ensure secondary identifier fields have an NPI.

While CMS is seeing some issues in some areas of the country, we are continuing to monitor and assist providers in becoming fully NPI-compliant. Progress has been substantial in recent days and weeks and this favorable trend is expected to continue. We would also like to mention that we monitor Medicare Part C (Medicare Advantage) and Part D (Prescription Drug Program) and we have received no reports of NPI problems.

Medicare Reminder--Accelerated/Advance Payments May Be Available for Financial Hardships Associated with NPI Implementation
Some Medicare providers, physicians, other practitioners, and suppliers might experience cash flow issues during their efforts to implement the NPI. The Medicare contractors and the Centers for Medicare & Medicaid Services (CMS) will consider, in

limited circumstances, the availability of advance or accelerated payments where facts and circumstances fall within the scope of the CMS regulations and/or manual requirements for such payments.

In general, entities who bill without an NPI do not warrant consideration for an advance or accelerated payment since Medicare providers have been given ample time to secure an NPI.

Medicare providers who may be experiencing cash flow problems related to NPI claims processing issues should contact their Medicare contractor to determine if they are eligible for an advance or accelerated payment. The Medicare contractor will review the request and provide a decision.

Need More Information?

Still not sure what an NPI is and how you can get it, share it and use it? As always, more information and education on the NPI can be found through the CMS NPI page http://www.cms.hhs.gov/NationalProvIdentStand on the CMS website. Providers can apply for an NPI online at https://nppes.cms.hhs.gov or can call the NPI enumerator to request a paper application at 1-800-465-3203. Having trouble viewing any of the URLs in this message? If so, try to cut and paste any URL in this message into your web browser to view the intended information.

Note: All current and past CMS NPI communications are available by clicking "CMS Communications" in the left column of the http://www.cms.hhs.gov/NationalProvIdentStand CMS webpage.

June 4, 2008

Medicare Part B Competitive Acquisition Program (CAP) for Drugs and Biologicals: July 1, 2008 CAP Drug List Update

The following drug will be added to the CAP drug list effective July 1, 2008: Vectibix® panitumumab (J9303). The updated CAP drug list will be available soon in the 'Downloads' section on the CMS CAP "Information for Physicians' page at: http://www.cms.hhs.gov/CompetitiveAcquisforBios/02_infophys.asp.

June 4, 2008 cont'd

New DMEPOS Competitive Bidding Program Tip Sheet for Non-Contract Suppliers!

New DMEPOS Competitive Bidding Program Tip Sheet for Non-Contract Suppliers

The Centers for Medicare & Medicaid Services (CMS) has posted a new tip sheet for non-contract suppliers that describes how the new DMEPOS Competitive Bidding Program that begins **July 1, 2008** affects non-contract suppliers. The tip sheet includes circumstances under which non-contract suppliers can bill for competitively bid items and actions non-contract suppliers need to take to assure continuity of care for their Medicare patients who reside in or visit the 10 Competitive Bidding Areas (CBAs).

Notify your Medicare patients!
For example, the tip sheet covers CMS' recommendation that non-contract suppliers who elect NOT to become grandfathered suppliers for oxygen and oxygen equipment **notify their Medicare patients 30 days in advance of the July 1** start date so that beneficiaries have adequate time to transition to contract suppliers and not risk gaps in critical services. The tip sheet also gives important information related to picking up equipment and the need for coordination with contract suppliers so that new equipment is delivered before old equipment is removed.

The "Non-Contract Supplier" tip sheet can be found on the CMS dedicated website at, http://www.cms.hhs.gov/DMEPOSCompetitiveBid. Just click on the "Provider Educational Products and Resources" tab and scroll down to the "Downloads" section.

June 4, 2008 cont'd

Your Latest News on the Physician Quality Reporting Initiative (PQRI)!

2008 Physician Quality Reporting Initiative (PQRI)
National Provider Conference Call with Question & Answer Session

The Centers for Medicare & Medicaid Services' (CMS) Provider Communications Group will host the fourth in a series of national provider conference calls on the 2008 Physician Quality Reporting Initiative (PQRI). **This toll-free call will take place from 3:30 p.m. – 5:00 p.m., EDT, on Wednesday, June 18, 2008.**

This call will provide information on accessing your 2007 PQRI Feedback Report for those of you who participated in 2007 and an overview of the 2008 PQRI participation options and a question and answer session. Alternative reporting periods and alternative criteria for satisfactorily reporting quality measures for the 2008 PQRI as authorized by the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) (P.L. 110-173) which was enacted on December 29, 2007.

MMSEA requires that for 2008 and 2009 the Secretary establish alternative reporting periods and alternative criteria for satisfactorily reporting groups of measures. It also requires that for 2008 and 2009 the Secretary establish alternative reporting periods and alternative criteria for satisfactorily reporting quality measures data through registries.

In 2008, eligible professionals may earn an incentive payment of 1.5 percent of their total allowed charges for Physician Fee Service covered professional services furnished during the respective alternative reporting periods based on data submitted via these

mechanisms. While TRHCA established a cap on incentive payments for 2007, based on an average per measure payment amount, there is no cap on incentive payments under MMSEA for 2008 and 2009.

These provisions provide increased opportunities for eligible professionals to report PQRI quality measures and the possibility to earn incentive payments for satisfactory reporting.

A PowerPoint slide presentation will be posted to the PQRI webpage at, http://www.cms.hhs.gov/PQRI/02_CMSSponsoredCalls.asp#TopOfPage, on the CMS website for you to download prior to the call so that you can follow along with the presenters, Dr. Michael Rapp, Dr. Daniel Green and Rachel Nelson.

Following the presentation, callers will have an opportunity to ask questions of CMS subject matter experts.

Conference call details:

Date: June 18, 2008
Conference Title: 2008 Physician Quality Reporting Initiative National Provider Call
Time: 3:30-5:00 EDT

In order to receive the call-in information, you must register for the call. It is important to note that if you are planning to sit in with a group, only one person needs to register to receive the call-in data. This registration is solely to reserve a phone line, NOT to allow participation. If you cannot attend the call, replay information is available below.

Registration will close at 3:30 p.m. EDT on June 17, 2008, or when available space has been filled. No exceptions will be made, so please be sure to register prior to this time.

1. To register for the call participants need to go to: http://www2.eventsvc.com/palmettogba/061808

2. Fill in all required data.

3. Verify your time zone is displayed correctly the drop down box.

4. Click "Register".

5. You will be taken to the “Thank you for registering” page and will receive a confirmation email shortly thereafter. **Note:** Please print and save this page, in the event that your server blocks the confirmation emails. If you do not receive the confirmation email, please check your spam/junk mail filter as it may have been directed there.

For those of you who will be unable to attend, a replay option will be available shortly following the end of the call. This replay will be accessible from 5:30 p.m. EDT 6/18/2008 until 11:59 p.m. EDT 6/25/2008. The call in data for the replay is (800) 642-1687 and the passcode is 47474458.

If you require services for the hearing impaired please send an email to Medicare.TTT@PalmettoGBA.com.

Physician Level Quality Measures: CMS Asks Providers to Help Test New Quality Measures

The Centers for Medicare & Medicaid Services (CMS) will begin testing eleven new quality measures for possible adoption in the Physician Quality Reporting Initiative (PQRI) Program in future years.

These new measures focus on kidney disease, skin disease, eye care, imaging, arthritis, and cancer. CMS wishes to gather test data for these measures to help us plan future PQRI measure sets.

CMS encourages providers to submit data for these test measures on Part B claims from July 1, 2008, through September 30, 2008. **Providers will not receive financial incentive for reporting these test measures.**

To learn more about how you can help CMS test these measures, visit http://www.cms.hhs.gov/pqri and select the "Measures/Codes" link on the left side of the page.

June 4, 2008 cont'd

New DMEPOS Competitive Bidding MLN Matters Article Now Available!

The Centers for Medicare & Medicaid Services (CMS) has issued *MLN Matters* Special Edition Article # SE0820 entitled ~ "Marketing Rules Reminders for DME Suppliers Including Contract Suppliers under the Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Competitive Bidding Program." This article is now posted on the CMS website at http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0820.pdf and can also be found on the DMEPOS Competitive Bid website at http://www.cms.hhs.gov/DMEPOSCompetitiveBid . Click on the "Provider Educational Products and Resources" tab and scroll down to the "Downloads" section.

This article describes the existing marketing rules and prohibitions that apply to all Medicare enrolled DMEPOS Suppliers.

For more information about DMEPOS competitive bidding, please visit the CMS dedicated web page at http://www.cms.hhs.gov/DMEPOSCompetitiveBid on the CMS website.

June 5, 2008

Early Edition ~ Your Friday Reading Materials

CMS asks that you share this important information with all of your association members and State and local chapters. Thanks!

Happy Thursday everyone! I'll be out of the office tomorrow so you get the Early Edition of news this week, including information on:

- **Reminder of Next DMEPOS Competitive Bidding Program National Provider Call**
- **Upcoming Program Advisory and Oversight Committee (PAOC) Meeting**
- **Registration to Access 2007 Physician Quality Reporting Initiative (PQRI) Feedback Reports**
- **New from the Medicare Learning Network**
- **Rights Of Medicare Hospice Patients**

CMS to Host National Provider Call for Referral Agents and Non-contract Suppliers for the DMEPOS Competitive Bidding Program

CMS will host a national audio call to address additional questions on the DMEPOS Competitive Bidding Program being implemented on July 1, 2008. **The call will be held on June 12 from 1:00 – 2:30 PM EDT**. This call will not address contract supplier issues, but will instead focus on questions from non-contract suppliers and referral agents (Medicare providers who order or refer DMEPOS in the 10 CBAs).

Please note -- Participants will be able to submit questions through the online registration system at the time of sign up for the call. Registration details follow:

Conference call details:

Date:	June 12, 2008
Conference Title:	Medicare DMEPOS Competitive Bidding Program Q and A Session
Time:	1:00-2:30 p.m. EDT

In order to receive the call-in information, you must register for the call. It is important to note that if you are planning to sit in with a group, only one person needs to register to receive the call-in data. This registration is solely to reserve a phone line, NOT to allow participation. If you cannot attend the call, replay information is available below.

Registration will close at 1:00 p.m. EDT on June 11, 2008, or when available space has been filled. No exceptions will be made, so please be sure to register prior to this time.

6. To register for the call participants need to go to: http://www2.eventsvc.com/palmettogba/061208

7. Fill in all required data.

8. Verify your time zone is displayed correctly the drop down box.

9. Click "Register".

10. You will be taken to the "Thank you for registering" page and will receive a confirmation email shortly thereafter. **Note:** Please print and save this page, in the event that your server blocks the confirmation emails. If you do not receive the confirmation email, please check your spam/junk mail filter as it may have been directed there.

For those of you who will be unable to attend, a replay option will be available shortly following the end of the call. This replay will be accessible from 3:00 p.m. EDT 6/12/2008 until 11:59 p.m. EDT 6/17/2008. The call in data for the replay is (800) 642-1687 and the passcode is 49895703.

Program Advisory and Oversight Committee (PAOC) Update Meeting on the Implementation of the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Competitive Bidding Program

June 16, 2008
9:00 AM - 5:00 PM, Eastern Daylight Time (EDT)

The Centers for Medicare & Medicaid Services (CMS) will be hosting a meeting with the PAOC members on June 16, 2008 to discuss the first round of bidding for the Medicare DMEPOS Competitive Bidding Program. The agenda is focused on progress on implementing the first round of the competitive bidding program. CMS hopes that the feedback we receive from the PAOC committee members and the public will assist us as we move forward with the next round of competitive bidding. We look forward to your participation.

See the URL link below for registration information:

http://www.blsmeetings.net/H1102%2D2/

See the following URL link for more information about the Competitive Bidding Program:

http://www.cms.hhs.gov/DMEPOSCompetitiveBid/PAOCMI/list.asp

Register Now to Access Your 2007 Physician Quality Reporting Initiative (PQRI) Feedback Report!

This message is directed to practices in which at least one eligible professional reported 2007 PQRI quality measures data. Do not register if no one in your practice reported quality measures in 2007.

The Centers for Medicare & Medicaid Services (CMS) is pleased to announce that 2007 PQRI Final Feedback Reports will be made available in mid-July on a secure website. Reports will be available to each practice, identified by Taxpayer Identification Number (TIN), under which at least one eligible professional reported 2007 PQRI quality measures data. Reports available to the practice will include information on reporting rates, clinical performance, and incentives earned by individual professionals, with summary information on reporting success and incentives earned at the practice (TIN) level.

Although the PQRI feedback reports are not yet available on this website, CMS recommends that practices take the time now to set up their online account so they can access their report as soon as it is available. The first step is for the professionals and appropriate staff to register for access through a new CMS security system known as the Individuals Authorized Access to CMS Computer Services - Provider Community (IACS-PC).

At this time, only practices with multiple professionals or individual professionals with staff members who will access the PQRI feedback reports should register in IACS. The first step in establishing the practice as an IACS-PC organization is registering a security official for the organization. Because the process of verifying the security official's authorization to access the practice's confidential information is not fully automated and can take some time, such practices should begin registering their representatives for IACS accounts now.

If you are an individual professional who will access this service personally, and have no staff who will use the system on your behalf, wait until further notice to register in IACS. This registration process is simpler and less time consuming.

Please do not register if you did not submit PQRI quality-measures data for 2007.

The following MLN Matters articles address key questions and answers about the registration process and can be found at http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0747.pdf and http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0753.pdf on the CMS website.

More information about registering in IACS and accessing 2007 PQRI Participant Feedback Reports will soon be posted on http://www.cms.hhs.gov/PQRI.

New from the Medicare Learning Network

The April 2008 version *Rural Referral Center Fact Sheet*, which provides information about Rural Referral Center program requirements, is now available in downloadable format Centers for Medicare & Medicaid Services **Medicare Learning Network** at http://www.cms.hhs.gov/MLNProducts/downloads/RuralRefCtrfctsht2008.pdf .

The Medicare Learning Network (MLN) has developed a series of Quick Reference Charts. These two-sided laminated charts are designed to assist health care professionals and their staff in providing and billing for Medicare Preventive Services.

- Medicare Preventive Services Quick Reference Information: Medicare Part B Immunization Billing (ICN# 6799)(Feb 2008)

- Quick Reference Chart: Medicare Preventive Services (ICN# 6559)(Feb 2008)

- The ABCs of Providing the Initial Preventive Physical Examination Quick Reference Chart (ICN# 6904)(Sep 2007)

These quick reference charts may be ordered, free of charge, from the MLN Product Ordering Page at http://cms.meridianksi.com/kc/main/kc_frame.asp?kc_ident=kc0001&loc=5 on the CMS website.

CMS OUTLINES RIGHTS OF MEDICARE HOSPICE PATIENTS
FIRST OVERHAUL SINCE 1983 AIMED AT IMPROVING QUALITY OF CARE

Medicare beneficiaries with terminal illnesses have their right to determine how they receive end-of-life care outlined for the first time in a new regulation soon to be published by the Centers for Medicare & Medicaid Services. In the first overhaul of regulations governing the hospice industry since 1983, the new Medicare Conditions of Participation (CoP) include explicit language on patient rights that had not existed under the previous regulations. Although many hospice patients are already active in their own treatment plans, this regulation is the first to set out a detailed list of patient rights.

To view the entire Press Release: http://www.cms.hhs.gov/apps/media/press_releases.asp

I hope you have a great weekend!

With best regards ~ Valerie

June 5, 2008 cont'd

One More Item

Summary- A compendium is a comprehensive listing of FDA-approved drugs and biologicals or of a specific subset of drugs and biologicals. Compendia are used to improve the effectiveness and quality of care for Medicare beneficiaries by developing and disseminating current, authoritative information on cancer therapies to clinicians, patients and other decision makers.

CMS will now recognize the NCCN Drugs & Biologics Compendium as an additional source of information in determining which drugs should be covered under Medicare Part B when used to treat patients undergoing cancer treatment through chemotherapy. CMS will no longer use the now obsolete American Medical Association Drug Evaluations (AMA-DE) compendium as a source for making these decisions. Both of these changes will be reflected in CMS' Medicare Benefit Policy Manual.

The Compendia List and related CMS Press Release can be found on the CMS website at:

Compendia List:
http://www.cms.hhs.gov/CoverageGenInfo/02_compendia.asp#TopOfPage
CMS Press Release Link - http://www.cms.hhs.gov/apps/media/press_releases.asp

I have also attached them for your convenience.

June 11, 2008

Your Latest NPI Update--NPI: NPPES - IRS Data Match

The NPI is here. The NPI is now. Are you using it?

In an effort to ensure that the data submitted to the National Plan and Provider Enumeration System (NPPES) for organization health care providers is accurate, CMS initiated an NPPES-IRS data match to ensure that the legal business name (LBN) and employer identification number (EIN) in NPPES are consistent with IRS data.

This week, CMS will mail out letters to organization health care providers that have an EIN/LBN combination in NPPES that are different from the information maintained by the IRS. These letters request that the health care providers review and update their LBN and/or EIN in NPPES. If health care providers can not furnish data that are consistent with the IRS, we will deactivate the National Provider Identifier in NPPES. CMS will continue to match these health care provider data in NPPES against IRS data to ensure the accuracy of NPPES data.

Need More Information?

Still not sure what an NPI is and how you can get it, share it and use it? As always, more information and education on the NPI can be found through the CMS NPI page http://www.cms.hhs.gov/NationalProvIdentStand on the CMS website. Providers can apply for an NPI online at https://nppes.cms.hhs.gov or can call the NPI enumerator to request a paper application at 1-800-465-3203. Having trouble viewing any of the URLs in this message? If so, try to cut and paste any URL in this message into your web browser to view the intended information.

Note: All current and past CMS NPI communications are available by clicking "CMS Communications" in the left column of the www.cms.hhs.gov/NationalProvIdentStand CMS webpage.

June 9, 2008

ALERT: Food and Drug Administration (FDA) Heparin Recall for All Provider Types

Please help FDA spread the word about recalls of injectable heparin products and heparin flush solutions that may be contaminated with oversulfated chondroitin sulfate (OSCS). Affected heparin products have been found in medical care facilities in one state since the recall announcement. Although product recall instructions were widely distributed, they may not have been fully acted upon at all sites where heparin is used. There have been many reports of deaths associated with allergic or hypotensive symptoms after heparin administration (see FDA link at http://www.fda.gov/cder/drug/infopage/heparin/adverse_events.htm).

We ask that health professionals and facilities please review and examine all drug/device storage areas, including emergency kits, dialysis units and automated drug storage cabinets to ensure that all of the recalled heparin products have been removed and are no longer available for patient use. In addition, FDA would like to inform health professionals about other types of medical devices that contain, or are coated with, heparin. To read this update, and to learn how to report these problems to FDA, please go to: http://www.fda.gov/cdrh/safety/heparin-healthcare-update.html .

Please report to FDA adverse reactions associated with these devices, as well as any reactions associated with heparin or heparin flush solutions. If you have questions or would like more information about this request, please contact the Division of Drug Information at 301-796-3400.

June 12, 2008

DMEPOS Competitive Bidding Program: Phase II Chapter 36 Manual Installment, CBA Zip Code Files, and Beneficiary Outreach News

Phase 2 of Manual Revisions to Reflect Payment Changes for DMEPOS as a Result of the DMEPOS Competitive Bidding Program and the Deficit Reduction Act of 2005

The Centers for Medicare & Medicaid Services (CMS) released the second installment of Chapter 36 of the Claims Processing Manual (CR 6119 and companion *MLN Matters* article) that provides additional information about the DMEPOS (DMEPOS) Competitive Bidding Program of interest to providers and suppliers of DMEPOS that bill Medicare Carriers, Fiscal Intermediaries, Regional Home Health Intermediaries, or Part A/B Medicare Administrative Contractors and providers who refer or order DMEPOS for Medicare beneficiaries. Of note, there is new information in this manual chapter on payment rules, change of suppliers, traveling beneficiaries, beneficiary liability, and downcoding.

To view this newly released manual chapter, visit http://www.cms.hhs.gov/manuals/ on the CMS website. The companion *MLN Matters* article is available on the dedicated website at http://www.cms.hhs.gov/DMEPOSCompetitiveBid on the CMS website. Go to the "Provider Educational Products and Resources" tab in the left-hand column and scroll down to "Downloads" section. Click on the "DMEPOS Competitive Bidding *MLN Matters"* to view this new article.

DMEPOS Competitive Bidding Area (CBA) Zip Code Files

Two Competitive Bidding Area (CBA) zip code files will be available in the near future; one file containing mail order zip codes per CBA and one file containing non-mail order zip codes per CBA. These files will be updated on a quarterly basis, as needed, to reflect changes in zip codes included in the various CBAs. Although the boundaries of a CBA will not change during a competitive bidding contract period, zip codes in general do change from time to time (e.g., when one zip code/area is subdivided into two or more new zip codes/areas, etc.).

Until the two zip code files are available, suppliers should use the "Find a CBA" tool at http://www.competitivebid.com to access lists of mail order and non-mail order zip codes per CBA.

Outreach to Medicare Beneficiaries

The Centers for Medicare & Medicaid Services (CMS) will begin mailing letters on the DMEPOS Competitive Bidding Program, which begins July 1, 2008, to Medicare beneficiaries living in the ten Competitive Bidding Areas (CBAs) later this month. The letter highlights the changes in the program and includes a brochure that lists the areas and supplies covered and a list of contract suppliers. A copy of the beneficiary letter and brochure is available at http://www.cms.hhs.gov/PressContacts/10_PR_DMEPOS.asp.

Please Note— Tip Sheets Currently Available:

- Referral Agents
- Grandfathered Suppliers

- Physicians and Other Treating Practitioners Who Are Enrolled as DMEPOS Suppliers
- Non-Contract Suppliers
- Mail Order Diabetic Contract Suppliers

Remember --
All information on the DMEPOS competitive bidding program is available at http://www.cms.hhs.gov/DMEPOSCompetitiveBid on the CMS website.

June 13, 2008

Your Friday Reading Materials

CMS asks that you share this important information with all of your association members and State and local chapters. Thanks!

Happy Friday everyone! Several items this afternoon, including information on:

- **Section 1011 Provider Symposium - 2008**
- **Reposting of Hospital Inpatient Prospective Payment System (IPPS) Proposed Rule**
- **Award of Seventh and Eighth Part A/Part B Medicare Administrative Contractors (A/B MACs)**
- **Physician Quality Reporting Initiative (PQRI) National Provider Conference Call**
- **CMS Exhibits at National Association Meetings**
- **New from the Medicare Learning Network**
- **"Health Implications of Caregiving" Broadcast**
- **Twelve Communities Selected to Advance Use of Electronic Health Records in First Ever National Demonstration**

Section 1011 Provider Symposium - 2008

The National Section 1011 contractor, TrailBlazer Health Enterprises®, is sponsoring a **provider symposium** on **Monday, June 30, 2008!**

The symposium will take place in Dallas, Texas, at the TrailBlazer℠ Auditorium located in Executive Center III, 8330 LBJ Freeway. The symposium is from **9 a.m. to noon (CT)** and will feature:

- Section 1011 program updates.
- Participant-centered interactive sessions.
- Question-and-answer intervals.
- Strategic-learning modules.

Subject matter experts (SMEs) will be available to answer provider-specific questions. Registration is required, but there is **no registration fee.** Registration can be accessed through the following link:

http://www.trailblazerhealth.com/section1011

TrailBlazer **seating is limited,** so register early. Once the registration is approved, Section 1011 will send a confirmation e-mail to the e-mail address provided on registration. Contact the Section 1011 Customer Service Department at (866) 860-1011, or send an e-mail to section.1011@trailblazerhealth.com for questions.

Reposting of Hospital Inpatient Prospective Payment System (IPPS) Proposed Rule

Table 4J.-Out-Migration Adjustment-FY 2009, originally posted on CMS's web site on April 14, 2008 and published in the hospital inpatient prospective payment system (IPPS) proposed rule (73 FR 23810) on April 30, 2008, has been reposted on the Internet on June 10, 2008, at http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage . CMS discovered an error in the calculation of the out-migration adjustment and corrected Table 4J accordingly. As a result of these corrections,

- *The following providers no longer qualify for an out-migration adjustment for the FY 2009 proposed wage index:* 01-0009, 01-0025, 01-0054, 01-0085, 05-0008, 05-0016, 05-0047, 05-0055, 05-0076, 05-0152, 05-0228, 05-0232, 05-0407, 05-0454, 05-457, 05-0506, 05-0633, 05-0668, 10-0102, 10-0156, 31-0010, 31-0011, 31-0021, 31-0031, 31-0044, 31-0057, 31-0061, 31-0069, 31-0091, 31-0092, 31-0110, 38-0029, 38-0051, 38-0056, 44-0030, 44-0067, 44-0153, and 51-0077.

- *The following providers qualify for an out-migration adjustment that has been corrected for the FY 2009 proposed wage index:* 01-0109, 08-0001, 08-0003, 10-0290, 16-0030, 17-0137, 19-0184, 19-0190, 19-0246, 20-0032, 21-0028, 30-0011, 30-00012, 30-0020, 30-0034, 32-0003, 32-0011, 34-0133, 39-0162, 42-0039, and 45-0565.

Hospitals, particularly those having to make reclassification decisions (the deadline is June 14, 2008 for withdrawing or terminating a reclassification for the FY 2009 wage index), are strongly encouraged to review the reposted Table 4J to determine how they are affected by these corrections. For questions regarding this matter, contact Brian Slater, at brian.slater@cms.hhs.gov.

Award of Seventh and Eighth Part A/Part B Medicare Administrative Contractors (A/B MAC)

The Centers for Medicare & Medicaid Services (CMS) has announced that it has awarded the seventh and eighth contracts for a Part A/Part B Medicare Administrative Contractor (A/B MAC). Using full and open competition, CMS selected National Heritage Insurance Corporation (NHIC) to be the A/B MAC for Jurisdiction 2 (J2) which is

comprised of Alaska, Idaho, Oregon and Washington, and Pinnacle Business Solutions, Inc. (PBSI) to be the A/B MAC for Jurisdiction 7 (J7) which is comprised of Arkansas, Louisiana and Mississippi.

The J2 A/B MAC contract is the seventh of 15 A/B MAC contracts that will be awarded by 2011 to fulfill requirements of the Medicare Contracting Reform provisions of the Medicare Modernization Act of 2003. This contract award is another major step forward in support of improved service to beneficiaries, providers, physicians and practitioners as well as greater administrative efficiency and effectiveness for fee-for-service Medicare.

As the J2 A/B MAC, NHIC will immediately begin implementation activities to take over the claims payment work now performed by fiscal intermediaries and carriers in the four-state jurisdiction. The current fiscal intermediaries and carriers operating in the jurisdiction are:

- CIGNA Government Services (carrier for Idaho)
- Mutual of Omaha Insurance Company (FI for some providers in Alaska, Idaho, Oregon and Washington)
- Noridian Administrative Services (FI and carrier for Alaska, Oregon and Washington; FI for Idaho)

NHIC will assume full responsibility for the J2 A/B MAC work no later than December 31, 2008. NHIC is headquartered in Hingham, MA. However, most of the claims administration work will be performed in Maryville, CA.

The J7 A/B MAC contract is the eighth of 15 A/B MAC contracts that will be awarded by 2011 to fulfill requirements of the Medicare Contracting Reform provisions of the Medicare Modernization Act of 2003. This contract award is another major step forward in support of improved service to beneficiaries, providers, physicians and practitioners as well as greater administrative efficiency and effectiveness for fee-for-service Medicare.

As the J7 A/B MAC, PBSI will immediately begin implementation activities to take over the claims payment work now performed by fiscal intermediaries and carriers in the three-state jurisdiction. The current fiscal intermediaries and carriers operating in the jurisdiction are:

- Cahaba GBA (carrier for Mississippi)
- Mutual of Omaha Insurance Company (FI for some providers in Arkansas, Louisiana and Mississippi)
- Pinnacle Business Solutions, Inc. (FI and carrier for Arkansas; carrier for Louisiana)
- TriSpan (Blue Cross and Blue Shield of Mississippi) (FI for Louisiana and Mississippi)

PBSI will assume full responsibility for the J7 A/B MAC work no later than February 2009 centering its operations at its headquarters in Little Rock, Arkansas. Some operations will also be performed in the Jackson, MS; Baton Rouge, LA; and Monroe, LA offices.

Additional information can be found on the Medicare Contracting Reform webpage at http://www.cms.hhs.gov/MedicareContractingReform/.

2008 Physician Quality Reporting Initiative (PQRI)
National Provider Conference Call with Question & Answer Session

The Centers for Medicare & Medicaid Services' (CMS) Provider Communications Group will host the fourth in a series of national provider conference calls on the 2008 Physician Quality Reporting Initiative (PQRI). This toll-free call will take place from **3:30 p.m. – 5:00 p.m., EDT, on Wednesday, June 18, 2008.**

This call will provide information on accessing your 2007 PQRI Feedback Report for those of you who participated in 2007 and an overview of the 2008 PQRI participation options and a question and answer session. Alternative reporting periods and alternative criteria for satisfactorily reporting quality measures for the 2008 PQRI as authorized by the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) (P.L. 110-173) which was enacted on December 29, 2007.

MMSEA requires that for 2008 and 2009 the Secretary establish alternative reporting periods and alternative criteria for satisfactorily reporting groups of measures. It also requires that for 2008 and 2009 the Secretary establish alternative reporting periods and alternative criteria for satisfactorily reporting quality measures data through registries.

In 2008, eligible professionals may earn an incentive payment of 1.5 percent of their total allowed charges for Physician Fee Service covered professional services furnished during the respective alternative reporting periods based on data submitted via these mechanisms. While TRHCA established a cap on incentive payments for 2007, based on an average per measure payment amount, there is no cap on incentive payments under MMSEA for 2008 and 2009.

These provisions provide increased opportunities for eligible professionals to report PQRI quality measures and the possibility to earn incentive payments for satisfactory reporting.

A PowerPoint slide presentation will be posted to the PQRI webpage at, http://www.cms.hhs.gov/PQRI/02_CMSSponsoredCalls.asp#TopOfPage, on the CMS website for you to download prior to the call so that you can follow along with the presenters, Dr. Michael Rapp, Dr. Daniel Green and Rachel Nelson.

Following the presentation, callers will have an opportunity to ask questions of CMS subject matter experts.

Conference call details:

Date: June 18, 2008

Conference Title: 2008 Physician Quality Reporting Initiative National Provider Call
Time: 3:30-5:00 EDT

In order to receive the call-in information, you must register for the call. It is important to note that if you are planning to sit in with a group, only one person needs to register to receive the call-in data. This registration is solely to reserve a phone line, NOT to allow participation. If you cannot attend the call, replay information is available below.

Registration will close at 3:30 p.m. EDT on June 17, 2008, or when available space has been filled. No exceptions will be made, so please be sure to register prior to this time.

11. To register for the call participants need to go to: http://www2.eventsvc.com/palmettogba/061808
12. Fill in all required data.
13. Verify your time zone is displayed correctly the drop down box.
14. Click "Register".
15. You will be taken to the "Thank you for registering" page and will receive a confirmation email shortly thereafter. **Note:** Please print and save this page, in the event that your server blocks the confirmation emails. If you do not receive the confirmation email, please check your spam/junk mail filter as it may have been directed there.

For those of you who will be unable to attend, a replay option will be available shortly following the end of the call. This replay will be accessible from 5:30 p.m. EDT 6/18/2008 until 11:59 p.m. EDT 6/25/2008. The call in data for the replay is (800) 642-1687 and the passcode is 47474458.

If you require services for the hearing impaired please send an email to Medicare.TTT@PalmettoGBA.com.

CMS Exhibits at National Association Meetings

As many of you are aware, part of CMS' provider outreach program includes hosting exhibits at selected national association conferences. In an effort to provide the most relevant CMS information and educational products at these exhibits, CMS would like to obtain your association's input prior to hosting the exhibit. To accomplish that, we have developed an "Exhibit Outreach Sheet" that describes the types of information we believe will best suit the needs of your association's members but also solicits your recommendations for information and educational products.

If your association has CMS as one of its exhibitors at an upcoming conference, please let your conference coordinator know that, beginning July 2008, they can expect to receive an "Exhibit Outreach Sheet" via e-mail from Bill Meierling, who coordinates the CMS

Provider Exhibit Program, and encourage them to use this feedback mechanism to get the most appropriate materials possible through the CMS Exhibit Program. Thanks so much!

If you have questions, please call Bill Meierling at (202) 690-8267 or e-mail him at Bill.Meierling@cms.hhs.gov .

New from the Medicare Learning Network

The April 2008 version of the ***Critical Access Hospital Fact Sheet*** is now available in downloadable format from the **Medicare Learning Network** at http://www.cms.hhs.gov/MLNProducts/downloads/CritAccessHospfctsht.pdf. The fact sheet provides information about eligible Critical Access Hospital (CAH) providers; CAH designation; CAH payments; reasonable cost payment principles that do not apply to CAHs; election of Standard Method or Optional (Elective) Payment Method; Medicare Rural Pass-Through funding for certain anesthesia services; Health Professional Shortage Area Incentive payments; Physician Scarcity Area Bonus payments; Medicare Prescription Drug, Improvement, and Modernization Act of 2003; and grants to states under the Medicare Rural Hospital Flexibility Program.

The April 2008 version of the ***Federally Qualified Health Center Fact Sheet*** is now available in downloadable format from the **Medicare Learning Network** at http://www.cms.hhs.gov/MLNProducts/downloads/fqhcfactsheet.pdf. The fact sheet provides information about Federally Qualified Health Center (FQHC) designation; covered FQHC services; FQHC preventive primary services that are not covered; FQHC payments; and the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

The April 2008 version of the ***Sole Community Hospital Fact Sheet***, which provides information about Sole Community Hospital classification and payments, is now available in print format from the **Medicare Learning Network**. To place your order, visit http://www.cms.hhs.gov/mlngeninfo/ , scroll down to "Related Links Inside CMS" and select "MLN Product Ordering Page."

The Medicare Learning Network (MLN) has developed a series of bookmarks that are appropriate to use as giveaways at conferences, meetings, training sessions and other provider/supplier events.

- Medicare Learning Network (MLN) Bookmark (ICN# 6960)(Feb 2008)
- Medicare Resident, Practicing Physician, and Other Health Care Professional Training Program Bookmark (ICN# 6916)(Oct 2007)
- The MLN Bookmark for Indian Health Care Professionals (ICN# 6954)(Feb 2008)
- Medicare Preventive Services Bookmark (ICN# 6766)(Jan 2007)

- Rural Health Bookmark (ICN# 6917)(Oct 2007)

To place your order, FREE OF CHARGE, visit http://www.cms.hhs.gov/mlngeninfo/ , scroll down to "Related Links Inside CMS" and select "MLN Product Ordering Page."

"Health Implications of Caregiving" Broadcast

Please join the Centers for Medicare & Medicaid (CMS) for our upcoming Caregiver Broadcast "Health Implications of Caregiving" on **June 25th from 1:00 - 2:30 p.m. EDT.** Read all of the details in the attached flyer! Additional details can be found at http://www.blsmeetings.net/caregivers

HHS Secretary Announces 12 Communities Selected to Advance Use of Electronic Health Records in First Ever National Demonstration

HHS Secretary Mike Leavitt today named 12 communities that will participate in a national Medicare demonstration project that provides incentive payments to physicians for using certified electronic health records (EHR) to improve the quality of patient care. The five-year, first-of-its-kind project is expected to improve the quality of care provided to an estimated 3.6 million Americans. The communities selected to work with the Centers for Medicare & Medicaid Services (CMS) on the EHR demonstration project range from county- and state- level to multi-state collaborations. They include:

- Alabama
- Delaware
- Jacksonville, FL (multi-county)
- Georgia
- Maine
- Louisiana *(Phase I)*
- Maryland/Washington, DC *(Phase I)*
- Oklahoma
- Pittsburgh, PA (multi-county) *(Phase I)*
- South Dakota (multi-state) *(Phase I)*
- Virginia
- Madison, WI (multi-county)

To read the HHS News release, go to:
http://www.hhs.gov/news/press/2008pres/06/20080610a.html
The HHS News Fact Sheet is available at:
http://www.hhs.gov/news/facts/20080131c.html

Organizations applying to partner with CMS in each community must complete the "Medicare Waiver Demonstration Application" and use that form to document how well it meets each of these criteria. To learn more about the new EHR demonstration project or locate the application form, please visit:

http://www.cms.hhs.gov/DemoProjectsEvalRpts/downloads/2008_Electronic_Health_Records_Demonstration.pdf

I hope everyone enjoys a wonderful weekend ~ Valerie

June 17, 2008

HHS Takes Action to Help Medicare Beneficiaries and Providers in Iowa and Indiana

HHS Takes Action to Help Medicare Beneficiaries and Providers in Iowa and Indiana

HHS Secretary Mike Leavitt declared a public health emergency in the flood-stricken states of Iowa and Indiana. The action gives HHS' Centers for Medicare & Medicaid Services' (CMS) Medicare beneficiaries and their health care providers greater flexibility in meeting emergency health needs. Secretary Leavitt acted under his authority in the Public Health Service Act.

Because of flood damage to local health care facilities, many beneficiaries have been evacuated to neighboring communities, where receiving hospitals and nursing homes may have no health care records, information on current health status or even verification of the person's status as a Medicare beneficiary. CMS is assuring those facilities that in this circumstance, the normal burden of documentation will be waived and that they can act under a presumption of eligibility.

In response to the emergencies resulting from the Midwest flooding, CMS is providing resources to ensure effective health care coverage and quality of care for beneficiaries. The **CMS** extreme weather and emergencies relief activities resource link for Midwest Floods is located by clicking: http://www.cms.hhs.gov/emergency/20_midwestflooding.asp?

Questions and Answers on the Midwest Flood page can be downloaded by clicking on https://questions.cms.hhs.gov/cgi-bin/cmshhs.cfg/php/enduser/std_alp.php?p_pv=2.1019&p_prods=318%2C1019&prod_lvl1=318&prod_lvl2=1019 (click New -CMS Response to Midwest Floods Emergency go under File Attachments)

To read the **HHS** Public Health Emergency News Release issued click here: http://www.hhs.gov/news/press/2008pres/06/20080616a.html

June 19, 2008

Another Early Edition of Your Friday Reading Materials

CMS asks that you share this important information with all of your association members and State and local chapters. Thanks!

Happy Thursday everyone! I'll be out of the office tomorrow so you get another Early Edition of news this week, including information on:

- **Your Latest NPI Update**
- **Information Regarding the Medicare Enrollment Application (CMS-855)**
- **Registration to Access 2007 Physician Quality Reporting Initiative (PQRI) Feedback Reports**
- **New from the Medicare Learning Network**
- **Release of FAQs on Psychological and Neuropsychological Tests**
- **Medicare Part B Drug and Biological Average Sales Price (ASP) Amounts**
- **Medicare Value-Based Purchasing Demonstration**
- **Nursing Home Compare Update**
- **Centers for Disease Control Updates (attached)**

The NPI is here. The NPI is now. Are you using it?

NPI News for Medicare FFS Providers

Medicare FFS NPI Update & Part B Issues Identified

As of 5/23/08, the National Provider Identifier (NPI) became mandatory on all HIPAA claims transactions and on Medicare paper transactions as well. All transactions must be submitted with the NPI in fields requiring a provider identifier (see items 1-3 below concerning the reporting of the Taxpayer Identification Number (TIN)). The Centers for Medicare & Medicaid Services (CMS) continues to see progress with NPI compliance and most Medicare contractors are reporting over 95 percent of claims contain only NPI. However, for some of the relatively few claims which continue to reject, we have determined that some of the reasons are related to the following issues identified for Part B claims:

1) The Employer Identification Number (EIN) or Social Security Number (SSN) being submitted in the 2010AA / REF02 (Billing Provider Secondary Identifier), 2010AB / REF02 (Pay to Provider Secondary Identifier) and/or 2310B / REF02 (Rendering Provider Secondary Identifier) of the Medicare X12N 837P transaction does not match the TIN information on the Medicare crosswalk.

2) While EIN or SSN is not required to be submitted in the 2310B loop for Medicare claims, if submitted, the appropriate qualifier must be submitted in the 2310B / REF01.

- Qualifier EI must be submitted in the 2310B / REF01 when an EIN is being submitted in the REF02.
- Qualifier SY must be submitted in the 2310B / REF01 when an SSN is being submitted in the REF02.

3) The Medicare legacy provider identifier is being submitted in the primary and/or secondary provider loops. Legacy provider numbers are no longer allowed on ANY Medicare claim or transaction. If sent, the claim or transaction will reject.

Medicare providers should review this list and take appropriate actions to resolve problems they may be experiencing. As a result, providers may decide to stop sending non-required segments, such as the TIN in 2310B/REF02 of the X12N 837P transaction. Providers may also want to consult their clearinghouses or software vendors for additional advice to solve the issues listed in this message.

Need More Information?

Still not sure what an NPI is and how you can get it, share it and use it? As always, more information and education on the NPI can be found through the CMS NPI page http://www.cms.hhs.gov/NationalProvIdentStand on the CMS website. Providers can apply for an NPI online at https://nppes.cms.hhs.gov or call the NPI enumerator to request a paper application at 1-800-465-3203. Having trouble viewing any of the URLs in this message? If so, try to cut and paste any URL in this message into your web browser to view the intended information.

Note: All current and past CMS NPI communications are available by clicking "CMS Communications" in the left column of the www.cms.hhs.gov/NationalProvIdentStand CMS webpage.

Using the Current Version (02/2008) of the Medicare Enrollment Application (CMS-855) When Enrolling or Making a Change in Enrollment

The Centers for Medicare & Medicaid Services (CMS) revised the Medicare enrollment applications (CMS-855) in February 2008. With the exception of providers enrolling as a specialty hospital on the CMS-855A, Medicare contractors will continue to accept the 2006 version of the Medicare enrollment application through June 2008. However, we encourage all providers and suppliers to begin using the new Medicare enrollment application immediately.

An electronic copy of the current CMS-855 Medicare enrollment application can be found at http://www.cms.hhs.gov/CMSForms/CMSForms/list.asp

New from the Medicare Learning Network

The revised ***Inpatient Psychiatric Facility Prospective Payment System Fact Sheet* (May 2008)**, which provides general information about the Inpatient Psychiatric Facility Prospective Payment System (IPF PPS), how payment rates are set, and the Rate Year 2009 update to the IPF PPS, is now available in downloadable format from the Centers for Medicare & Medicaid Services **Medicare Learning Network** at http://www.cms.hhs.gov/MLNProducts/downloads/InpatientPsychFac.pdf .

Release of FAQs on Psychological and Neuropsychological Tests

CMS announces the release of eight questions and answers on psychological and neuropsychological tests that are billed under the CPT code range 96101-96125. These

Frequently Asked Questions (FAQs) provide clarification on Medicare billing and payment policy for these testing codes when performed by technicians, computers, physicians, clinical psychologists, independently practicing psychologists and other eligible qualified nonphysician practitioners. The scenarios under the FAQs also address situations where more than one of these testing codes can be billed for services furnished to the same patient. These FAQs are available at: https://questions.cms.hhs.gov/cgi-bin/cmshhs.cfg/php/enduser/std_alp.php?p_sid=HCq8-v6j&p_lva=9174&p_li=&p_accessibility=0&p_page=1&p_cv=&p_pv=3.605&p_prods=8%2C57%2C605&p_cats=&p_hidden_prods=&prod_lvl1=8&prod_lvl2=57&prod_lvl3=605&p_search_text=&p_new_search=1&p_search_type=answers.search_nl on the CMS website.

Medicare Part B Drug and Biological Average Sales Price (ASP) Amounts

The Centers for Medicare & Medicaid Services (CMS) has made available the Medicare Part B Drug and Biological Average Sales Price (ASP) Payment Amounts for July 1, 2008 to September 30, 2008 on the CMS website at http://www.cms.hhs.gov/McrPartBDrugAvgSalesPrice/01a_2008aspfiles.asp. The files are located in the "Downloads" section of this web page.

Third Year of Groundbreaking Medicare Value-Based Purchasing Demonstration Shows Substantial and Continual Improvement in Hospital Inpatient Care

Latest results of the Premier Hospital Quality Incentive Demonstration (HQID) show dramatic across-the-board improvement in the performance of participating hospitals. Launched in October 2003 by the Centers for Medicare & Medicaid Services (CMS) and the Premier Inc. Healthcare Alliance, HQID involves about 250 hospitals in 36 states.

The demonstration was designed to test new payment systems under Medicare that would improve the safety, quality and efficiency of care delivered in the nation's hospitals. Given the series of reports issued over the past decade – starting with the Institute of Medicine's 1999 landmark report "To Err is Human" – there is a growing awareness and well documented need for Medicare to change the way it pays for health care services. The outcomes from the third year of this demonstration provide yet even more evidence that paying for performance in health care in these innovative Value-Based Purchasing (VBP) initiatives can dramatically improve the quality of health care delivered to hospital patients.

"These Premier results show that Value-Based Purchasing can achieve excellent results in Medicare," said CMS Acting Administrator Kerry Weems. "Given these results, it is time to take the next step and implement hospital Value-Based Purchasing for the Medicare program, so that citizens across the nation can benefit from improved safety and quality get the right care, every time."

In November 2007, CMS submitted a proposal to Congress to implement Medicare VBP. Within that proposal, a percentage of a hospital's payment for each discharge would be contingent on the hospital's actual performance on a specific set of measures. Currently, Medicare pays a set amount for each discharge, whereas under VBP, amounts would be linked to quality of services provided, not just quantity of service. Changing Medicare's hospital payment methodology to reflect CMS' implementation plan for VBP requires new legislation.

For more information on today's announcement please refer to the attached file or you may visit CMS' website at http://www.cms.hhs.gov/apps/media/press_releases.asp to view this press release in its entirety.

Quality Measures are located at http://www.qualitydemo.com

A fact sheet and HQID Project/View of Hospitals for Year 3 are located at http://www.cms.hhs.gov/HospitalQualityInits

CMS to Rate Nursing Home Quality;
New "Five-Star" System to be Added to Nursing Home Compare Site

The Centers for Medicare & Medicaid Services (CMS) recently announced it will soon launch a ground-breaking ranking system of America's nursing homes, giving each a "star" rating. CMS is requesting comments on the system designed to provide patients and their families an easy to understand assessment of nursing home quality, making meaningful distinctions between high performing and low performing homes.

This will be the first time that CMS will offer such a rating system for the fee-for-service, or traditional Medicare program. Currently, through the Compare Web site, CMS assists beneficiaries and their families in making nursing home choices by providing information on individual measures of quality of care, staffing, and survey inspection information.

The ratings will be posted on the agency's Nursing Home Compare Web site by the end of this year. A sample screen shot of the proposed star ratings is available at http://www.cms.hhs.gov/PressContacts/10_PR_fivestar.asp. Medicare Compare can be found at http://www.medicare.gov.

CMS will also publish the Fire Safety Requirements for Long-Term Care (LTC) Facilities final regulation that requires all nursing homes in the country to install sprinkler systems throughout their buildings if they wish to continue to participate in the Medicare and Medicaid programs.

To read the CMS press releases issued today please click here: http://www.cms.hhs.gov/apps/media/press_releases.asp

I hope you have a great weekend!

With best regards ~ Valerie

June 20, 2008

July 1 is coming! Medicare DMEPOS Competitive Bidding Program News

Ombudsman Program

The Ombudsmen for the DMEPOS Competitive Bidding Program are now available to assist providers, suppliers, and beneficiaries by providing information and education and by facilitating the resolution of complaints and concerns. The ombudsmen's role is to investigate and address complaints by providers, suppliers, and beneficiaries specifically related to the Competitive Bidding Program. There are eight ombudsmen who are located within the initial Competitive Bidding Areas (CBAs).

You may contact an ombudsman:

- For general information about the DMEPOS Competitive Bidding Program;
- To obtain assistance in locating a contract supplier;
- For educational programs and activities;
- To report concerns about the program, a supplier, or a referral agent;
- The quality of services or items, and/or suspected fraud or abuse; and
- For assistance with questions, issues, and complaints specifically pertaining to the competitive bidding program and policies.

You may find a list of the ombudsmen with contact information on the DMEPOS Competitive Bidding Implementation Contractor (CBIC) website at http://www.dmecompetitivebid.com

DMEPOS Competitive Bidding Program Competitive Bidding Areas (CBAs) Are Defined by Zip Codes

Two CBA zip code files have been posted on the Competitive Bidding Implementation Contractor (CBIC) website: one file containing mail order zip codes per CBA and one file containing non-mail order zip codes per CBA. These files will be updated on a quarterly basis, as needed, to reflect changes in zip codes included in the various CBAs. Although the boundaries of a CBA will not change during a competitive bidding contract period, zip codes in general do change from time to time (e.g., when one zip code/area is subdivided into two or more new zip codes/areas, etc.).

Zip codes contained in each CBA can be accessed through the CMS DMEPOS Competitive Bidding website at located at http://www.cms.hhs.gov/DMEPOSCompetitivebid/

Just click on the "Metropolitan Statistical Areas, Competitive Bidding Areas, and Zip Codes" tab and scroll down to "Related Links Outside CMS".

Important Requirements of the "Grandfathered" Supplier Provision

Non contract suppliers located in the 10 DMEPOS Competitive Bidding Areas (CBAs) should have taken the appropriate steps to notify beneficiaries whose permanent residence is in a CBA of their decision to become, or not to become grandfathered suppliers for each competitively bid item. These decisions should be conveyed through a written notification to the beneficiary before July 1, the start date of the new program.
IMPORTANT NOTE: THIS NOTIFICATION SHOULD ONLY BE SENT TO BENEFICIARIES WHO MAINTAIN A PERMANENT RESIDENCE IN A CBA.
Suppliers can determine if a beneficiary resides in a CBA by comparing the beneficiary's zip code to the zip code files on the Competitive Bidding Implementation Contractor's web site.

Suppliers that choose to become "grandfathered" should maintain a record as to whether the beneficiary chose to continue to receive the item from the grandfathered supplier, chose to go to a contract supplier, or did not respond.

For suppliers that choose not to become grandfathered, the beneficiary will have to switch to a contract supplier.

CMS expects suppliers to work together to ensure there is no break in service or in the furnishing of medically necessary items (e.g. oxygen, enteral nutrition, CPAP). In order for this transition to occur, a coordinated effort including delivery and pick-up of supplies must take place.

For more detailed information on this topic, please refer to the MLN Matters article MM5978 and the Medicare Learning Network's Tip Sheet for "Grandfathered" Suppliers on the CMS DMEPOS Competitive Bidding website located at
http://www.cms.hhs.gov/DMEPOSCompetitivebid/
Go to the "Provider Educational Products and Resources" tab and scroll to the "Downloads" section.

June 27, 2008

Your Friday Reading Materials

CMS asks that you share this important information with all of your association members and State and local chapters. Thanks!

Happy Friday everyone—I hope it was a good week for you. Items this week include information on:

- **Physician Quality Reporting Initiative (PQRI) National Provider Conference Call**
- **New Medicare Rule Ensures Access To Health Care For Beneficiaries In Rural Areas**
- **Pricer Updates**
- **Update on the Award of Seventh and Eighth Part A/Part B Medicare Administrative Contractors (A/B MACs)**

And please be on the lookout for the latest updates regarding Medicare's DMEPOS Competitive Bidding Program, which begins July 1, 2008. We'll be sending out helpful information on the new program in a separate DMEPOS-only message!

2008 Physician Quality Reporting Initiative (PQRI)
National Provider Conference Call with Question & Answer Session

The Centers for Medicare & Medicaid Services (CMS), Provider Communications Group, will host the fifth in a series of national provider conference calls on the 2008 Physician Quality Reporting Initiative (PQRI). This toll-free call will take place from **3:30 p.m. – 5:00 p.m., EDT, on Wednesday, July 9, 2008.**

This call will provide information on accessing your 2007 PQRI Feedback Report (for those of you who participated in 2007); an overview of the 2008 PQRI participation options, and a question and answer session.

The Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) (P.L. 110-173), which was enacted on December 29, 2007, requires that for 2008 and 2009 the Secretary establish alternative reporting periods and alternative criteria for satisfactorily reporting groups of measures. It also requires that for 2008 and 2009 the Secretary establish alternative reporting periods and alternative criteria for satisfactorily reporting quality measures data through registries.

In 2008, eligible professionals may earn an incentive payment of 1.5 percent of their total allowed charges for Physician Fee Service covered professional services furnished during the respective alternative reporting periods based on data submitted via these mechanisms. While the Tax Relief and Health Care Act of 2006 (TRHCA) established a cap on incentive payments for 2007, based on an average per measure payment amount, there is no cap on incentive payments under MMSEA for 2008 and 2009.

These provisions provide increased opportunities for eligible professionals to report PQRI quality measures and the possibility to earn incentive payments for satisfactory reporting.

A PowerPoint slide presentation will be posted to the PQRI webpage at, http://www.cms.hhs.gov/PQRI/02_CMSSponsoredCalls.asp#TopOfPage, on the CMS website for you to download prior to the call so that you can follow along with the presenters: Dr. Michael Rapp, Dr. Daniel Green and Ms. Rachel Nelson.

Following the presentation, callers will have an opportunity to ask questions of CMS subject matter experts.

Conference call details:

Date: July 9, 2008
Conference Title: 2008 Physician Quality Reporting Initiative National Provider Call
Time: 3:30-5:00 (EDT)

In order to receive the call-in information, you must register for the call. It is important to note that if you are planning to sit in with a group, only one person needs to register to receive the call-in data. This registration is solely to reserve a phone line, NOT to allow participation. If you cannot attend the call, replay information is available below.

Registration will close at 3:30 p.m. (EDT) on July 8, 2008, or when available space has been filled. No exceptions will be made, so please be sure to register prior to this time.

16. To register for the call participants need to go to: http://www2.eventsvc.com/palmettogba/070908
17. Fill in all required data.
18. Verify your time zone is displayed correctly the drop down box.
19. Click "Register".
20. You will be taken to the “Thank you for registering” page and will receive a confirmation email shortly thereafter. Note: Please print and save this page, in the event that your server blocks the confirmation emails. If you do not receive the confirmation email, please check your spam/junk mail filter as it may have been directed there.

For those of you who will be unable to attend, a replay option will be available shortly following the end of the call. This replay will be accessible from 5:30 p.m. (EDT), 7/9/2008, until 11:59 p.m. (EDT), 7/16/2008. The call in data for the replay is (800) 642-1687 and the passcode is 52755102.

If you require services for the hearing impaired please send an email to Medicare.TTT@PalmettoGBA.com.

New Medicare Rule Ensures Access To Health Care For Beneficiaries In Rural Areas

Medicare beneficiaries who live in rural and underserved areas of the United States would be able to continue to get their health care services from Rural Health Clinics (RHCs) whose services are tailored to meet their individual needs under new rules recently proposed by the Centers for Medicare & Medicaid Services (CMS).

"These proposed changes to the rural health clinic program would ensure that Medicare beneficiaries in rural underserved areas have ready access to high quality primary health care from physicians and certain nonphysician providers," said Acting CMS Administrator Kerry Weems. "The flexibilities we are proposing will help to ensure that beneficiaries and Medicare get the best value from RHC providers."

A CMS fact sheet provides more information on the proposed rule, including provisions that uniquely apply to FQHCs. The fact sheet may be viewed at http://www.cms.hhs.gov/apps/media/fact_sheets.asp.

The proposed regulation may be viewed at http://federalregister.gov/OFRUpload/OFRData/2008-13280_PI.pdf . **Comments must be submitted by 5:00 p.m. Eastern time on August 27, 2008.**

Pricer Updates

Due to a required logic fix and revenue code rate corrections with the HH PPS PC Pricer, the "Home Health Prospective Payment System (HH PPS) PC Pricer" web page, http://www.cms.hhs.gov/PCPricer/05_HH.asp, has been updated with a required logic fix and corrected revenue code rate factors. If you use the HH PPS PC Pricer, please go to the web page above and download the latest version of the PC Pricer.

The CMS Outpatient PPS PRICER web page has recently been updated to provide the July 2008 OPPS PRICER files. You may go to http://www.cms.hhs.gov/PCPricer/08_OPPS.asp to view this latest update.

Update to Previous Message on Medicare Contracting Reform

In my Friday, June 13, 2008, message, I included information regarding the award of Seventh and Eight Part Apart B Medicare Administrative Contractors (A/B MACs). I just wanted to follow-up that message with an update that the award of J2 is being reviewed by the Government Accountability Office (GAO) due to a protest. The GAO is due to rule in early September. We'll keep you posted on the results.

On a final note, CMS will have an exhibit booth from June 28 – 30 at the American Academy of Nurse Practitioners National Conference being held in the Washington, D.C. area. If that conference is on your agenda, please be sure to stop by and pick-up the latest Medicare provider information on DMEPOS Competitive Bidding and much more!!

I hope you enjoy a great weekend and week ahead!

With best regards ~ Valerie

June 30, 2008

Materials for 7/1/08 Special PQRI ODF Now Available!

The PowerPoint Presentation for the July 1, 2008 Special PQRI Open Door Forum (ODF) is now available on the CMS PQRI webpage at http://www.cms.hhs.gov/pqri/02_CMSSponsoredCalls.asp#TopOfPage . To access the materials, click on the Special PQRI Open Door Forum 07/01/2008 link located in the "Downloads" section of the page. Thank you.

We look forward to your participation.

June 30, 2008 cont'd

Special Briefing on DMEPOS Competitive Bidding Program

Please see attached invitation to a special briefing on Medicare's new program for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding.

June 30, 2008 cont'd

Claims Paid Under the Medicare Physician Fee Schedule - News From CMS

Claims Paid Under the Medicare Physician Fee Schedule - News From CMS

To the extent possible, 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 Fee-For-Service (FFS) providers of services paid under the Medicare physician fee schedule, beginning July 1. In this regard, CMS has instructed its contractors to hold these claims for the first 10 business days of July, for dates of service in July. This should have minimum impact on provider cash flow because, under current law, electronic claims are not paid any sooner than 14 days (29 days for paper claims) after the date of receipt. Meanwhile, all claims for services delivered on or before June 30 will be processed and paid under normal procedures.

After 10 business days, contractors will begin releasing claims into processing under the fee schedule which implements current law. This, of course, could result in claims being processed with the negative 10.6 percent update. If a new law is enacted which changes the negative 10.6 percent update, retroactive to July 1, CMS is prepared to automatically reprocess most of those claims which have already been processed.

Under the Medicare statute, Medicare pays the lower of submitted charges and the Medicare fee schedule amount. Claims with dates of service July 1 and later billed with a submitted charge at least at the level of the January 1-June 30, 2008, fee schedule will be

automatically reprocessed if Congress retroactively reinstates the update that was in effect for that time period. Any lesser amount will likely require providers to re-submit a revised claim.

To the extent possible, providers may hold claims in-house until it becomes clearer as to whether new legislation will be enacted or until cash flow becomes problematic. This will reduce the need for providers to reconcile two payments (i.e., the initial claim and the reprocessed claim), and it will simplify provider billings of beneficiary coinsurance and payment calculations for payers which are secondary to Medicare.

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

June 30, 2008 cont'd

Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Competitive Bidding News!

Clarification of Mail Order in the Centers for Medicare & Medicaid Services (CMS) DMEPOS Competitive Bidding Program

CMS has posted information on the Competitive Bidding Implementation Contractor (CBIC) website to clarify its policy with regard to mail order suppliers. This posting provides further guidance on common carriers and local storefront suppliers. Please visit the Supplier's FAQ section at http://www.dmecompetitivebid.com for more information.

If the link above does not work, please type the url above into your web browser. Thank you.

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