

U.S. House and Senate Notification
Wednesday, March 3, 2010

To: Congressional Health Staff

From: Amy Hall
Director, Office of Legislation
Centers for Medicare & Medicaid Services

Subject: CMS Releases Guidance Regarding the Physician Fee Schedule and the Therapy Cap Exception Process

Today, pursuant to the Temporary Extension Act of 2010 becoming law, the Centers for Medicare & Medicaid Services (CMS) instructed the Medicare contractors to start processing physician claims that had been on hold since March 1, 2010.

The law extends through March 31, 2010, the zero percent update to the Medicare Physician Fee Schedule that was in effect for claims with dates of service January 1, 2010, through February 28, 2010. Consequently, effective immediately, claims with dates of service March 1 and later will be released for processing and payment.

The law also extends the therapy cap exceptions process through March 31, 2010, retroactive to January 1, 2010. As such, affected providers may submit claims for exceptions to the annual therapy caps, with dates of service January 1 through March 31, 2010. If therapy cap exception claims have already been submitted and denied, the provider should contact their contractor for an adjustment. The small number of claims that had been held because they were submitted with the exceptions modifier will be released for processing. Providers who charged beneficiaries for services that exceeded the caps, which are now payable under the exception process, should refund the beneficiary's cost, less the appropriate amount of deductible and co-insurance.

If you have questions about this notification, please contact the CMS Office of Legislation. Thank you.