



Related MLN Matters Article #: MM5937

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### *Extension of the Dates of Service Eligible for the Physician Scarcity Area (PSA) Bonus Payment*

#### Key Words

MM5937, CR5937, R1434CP, Physician, PSA, Bonus

#### Provider Types Affected

Physicians, and other providers, who bill Medicare Carriers, Fiscal Intermediaries (FIs), or Part A/B Medicare Administrative Contractors (A/B MACs) for providing services to Medicare beneficiaries in designated physician scarcity areas

#### Key Points

- The effective date of the instruction is January 1, 2008.
- The implementation date is January 7, 2008, for contractors processing claims from institutions. FIs and A/B MACs processing Part A claims will implement Change Request (CR) 5937 on that date.
- The implementation date is no later than 30 days from issuance of CR5937 for carriers and A/B MACs processing professional claims.
- Section 413(a) of the Medicare Modernization Act of 2003 required the Centers for Medicare & Medicaid Services (CMS) to pay a 5% bonus to physicians in a designated PSA for dates of service from January 1, 2005, through December 31, 2007.
- The Medicare, Medicaid, and State Children's Health Insurance Program Extension Act of 2007 amended Section 1833(u)(1) of the Social Security Act, extending the payment of the PSA bonus for dates of service through June 30, 2008.
- CR5937 announces this extension and provides Medicare contractors with implementing instructions.
- Medicare contractors will continue to pay PSA bonuses for dates of service from January 1, 2005, through June 30, 2008, regardless of whether the bonus is requested through submission of a modifier or made through an automated payment based on ZIP code.
- The primary care and specialty care scarcity areas in effect on December 31, 2007, will be used for 2008 services.
- Carriers and A/B MACs processing Part B claims will identify claims that contain the AR modifier (physician providing services in a PSA) and are submitted with dates of service on or after January 1,

2008, and processed prior to this CR's implementation, so that they may be included in the calculation in the first quarterly 2008 bonus payment.

- Additionally, when brought to their attention, carriers and A/B MACs processing Part B claims will re-open and re-process claims with these dates of service that are processed prior to the CR's implementation date in order to include the AR modifier and make the appropriate bonus payment.

## Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5937.pdf> on the CMS website.

The official instruction (CR5937) regarding this change may be viewed at

<http://www.cms.hhs.gov/Transmittals/downloads/R1434CP.pdf> on the CMS website.

Providers can find the following manual updates attached to that CR:

- The updated *Medicare Claims Processing Manual*, Chapter 4 (Part B Hospital (Including Inpatient Hospital Part B and OPPS)), Section 250.2.1 (Billing and Payment in a Physician Scarcity Area (PSA)) and Section 250.2.2 (Zip Code Files); and
- The updated *Medicare Claims Processing Manual*, Chapter 12 (Physicians/Nonphysician Practitioners), Section 90.5 (Billing and Payment in a Physician Scarcity Area (PSA)) and Section 90.5.2 (Identifying Physician Scarcity Area Locations).

If providers have questions regarding this issue, they may contact their FI, carrier, or A/B MAC at their toll-free number, which may be found at

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.