



Revised Payment Files for the 2010 Medicare Physician Fee Schedule Database (MPFSDB) and Retroactive Provisions under the Patient Protection and Affordable Care Act (Pub. L. 111-148) (the Affordable Care Act) – JA6973

Related CR Release Date: May 10, 2010

Date Job Aid Revised: June 2, 2010

Effective Date: January 1, 2010

Implementation Date: No later than June 1, 2010

Key Words MM6973, CR6973, R7000TN, Payment, MPFSDB, ACA

- Contractors Affected**
- Medicare Carriers
 - Fiscal Intermediaries (FIs)
 - Part A/B Medicare Administrative Contractors (A/B MACs)

Provider Types Affected Provider types affected are physicians, non-physician practitioners, and providers, submitting claims to Medicare Carriers, FIs, and/or A/B MACs, for professional services provided to Medicare beneficiaries that are paid under the MPFS.



Change Request (CR) 6973 amends payment files issued to contractors to take into account the 2010 MPFS Final Rule correction notice that went on display in the Federal Register on May 5, 2010, and retroactive provisions under the Affordable Care Act.

Revisions to Calendar Year (CY) 2010 Work and Practice Expense (PE) Geographic Practice Cost Index (GPCI)

Provider Needs to Know...

- Section 3102 of the Affordable Care Act extends the 1.0 work GPCI floor for services furnished through December 31, 2010. It also revises the PE GPCIs for CY 2010 so that the employee wage and rent portions of the PE GPCI reflect only one-half of the relative cost differences for each locality compared to the national average. Each PFS locality is held harmless under the PE GPCI changes.
- These changes are reflected in the revised payment files and are retroactive to January 1, 2010.

Extension of the Physician Fee Schedule Mental Health Add-On

- Section 138 of the Medicare Improvements for Patients and Providers Act of 2008

increased the Medicare payment amount for specific "Psychiatry" services by 5 percent, effective for dates of service July 1, 2008, through December 31, 2009.

- Section 3107 of the Affordable Care Act extends this provision retroactive to January 1, 2010, through December 31, 2010.
- The "Psychiatry" Current Procedural Terminology (CPT) codes that represent the "specified services" are as follows:
 - **Office or Other Outpatient Facility**
 - (Insight Oriented, Behavior Modifying and/or Supportive Psychotherapy) CPT codes 90804, 90805, 90806, 90807, 90808, 90809; and
 - (Interactive Psychotherapy) CPT codes 90810, 90811, 90812, 90813, 90814, 90815
 - **Inpatient Hospital, Partial Hospital, or Residential Care Facility**
 - (Insight Oriented, Behavior Modifying and/or Supportive Psychotherapy) CPT codes 90816, 90817, 90818, 90819, 90821, 90822
 - (Interactive Psychotherapy) CPT codes 90823, 90824, 90826, 90827, 90828, 90829

Note: The increased payment amounts for these codes are included on the revised payment files and are retroactive to January 1, 2010.

Payment for Bone Density Tests

- Section 3111 of the Affordable Care Act adjusts the payment amounts for bone density tests. For dual-energy x-ray absorptiometry services furnished during CY 2010, the payment amount will be equal to 70 percent of the product of a) the relative value for the service for CY 2006; b) the conversion factor for CY 2006; and c) the CY 2010 geographic adjustment factor for the service for the fee schedule area (payment locality). In CY2011, part (c) of the formula will use the CY 2011 geographic adjustment factor.
- These services were identified in 2006 by CPT codes 76075 and 76077, but have since been renumbered to 77080 and 77082. Based on this provision, the adjusted relative value units (RVUs) for these services are shown in the following table:

CPT	MOD	WRVU	NON-FACILITY PE RVU	FACILITY PE RVU	MALPRACTICE RVU	NON-FACILITY TOTAL	FACILITY TOTAL
77080		0.22	2.35	NA	0.13	2.70	NA
	26	0.22	0.07	0.07	0.01	0.30	0.30
	TC	0.00	2.28	NA	0.12	2.40	NA
77082		0.12	0.59	NA	0.05	0.76	NA
	26	0.12	0.04	0.04	0.01	0.17	0.17
	TC	0.00	0.55	NA	0.04	0.59	NA

Note: The adjusted payment amounts for these codes are included on the revised payment files and are retroactive to January 1, 2010.

Extension of the Exceptions Process for Medicare Therapy Caps

- Under the Temporary Extension Act of 2010, the outpatient therapy caps exception process expired for therapy services on April 1, 2010. Section 3103 of the Affordable Care Act continues the exceptions process through December 31, 2010.

Extension of Payment for the Technical Component (TC) of Certain Physician Pathology Services

- Under previous law, a statutory moratorium allowed independent laboratories to bill a carrier or a MAC for the TC of physician pathology services furnished to hospital patients. This moratorium expired on December 31, 2009.
 - Section 3104 of the Affordable Care Act extends the payment for the TC of certain physician pathology services retroactive to January 1, 2010, through December 31, 2010.
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Background

- Payment files were issued to contractors based on the CY 2010 MPFS Final Rule. Subsequent to the publication of the CY 2010 MPFS Final Rule:
 - The Department of Defense Appropriations Act of 2010 provided a two month zero percent update to the 2010 MPFS, effective for dates of service January 1, 2010, through February 28, 2010;
 - The Temporary Extension Act of 2010 extended the zero percent update to the 2010 MPFS for dates of service through March 31 2010; and
 - The Continuing Extension Act of 2010 extended the zero percent update to the 2010 MPFS for dates of service through May 31, 2010.
 - CR6973 includes changes as a result of PE and malpractice (MP) relative value unit RVU corrections and provisions of the Affordable Care Act, as modified by the Health Care and Education Reconciliation Act of 2010 (HCERA), which was signed into law on March 23, 2010, and March 30, 2010, respectively.
 - The PE and MP RVUs have been revised to align their values with the final CY 2010 MPFS policies for PE and MP RVUs. Although the zero percent (0%) update to the 2010 MPFS has been extended through legislation, the conversion factor (CF) has been revised as a result of the PE and MP RVU corrections. The revised CF used in calculating the payment amounts associated with this instruction is \$36.0791.
 - The Affordable Care Act, as modified by HCERA, also included the extension of several provisions, retroactive to January 1, 2010, that had previously been included in other legislation. The extended provisions include 1) the extension of the work GPCI floor of 1.0 through December 31, 2010; 2) the extension of the MPFS mental health add-on 3) the extension of the exceptions process for Medicare therapy caps; and 4) the extension of payment for the TC of certain physician pathology services.
 - Also included is a revision to the PE GPICs for CY 2010 and a new provision, regarding
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payment for bone density tests in CY 2010.

Operational N/A
Impact

Reference The related MLN Matters® article can be found at
Materials <http://www.cms.gov/MLN MattersArticles/downloads/MM6973.pdf> on the CMS website.

The official instruction (CR6973) issued regarding this change may be found at
<http://www.cms.gov/Transmittals/downloads/R7000TN.pdf> on the CMS website.
