



Related MLN Matters Article #: MM3736

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Related CR #: 3736

Clarification to the Health Professional Shortage Area (HPSA) Language in the Medicare Claims Processing Manual

Key Words

CR3736, MM3736, R524CP, Health, Professional, Shortage, Area, HPSA, Psychiatry, CAH

Provider Types Affected

Psychiatrists and Critical Access Hospitals (CAHs) billing Medicare Carriers or Fiscal Intermediaries (FIs) in a HPSA

Key Points

- The effective date for the instruction is May 16, 2005.
- The implementation date is May 16, 2005.
- Change Request (CR) 3736 and related MLN Matters article MM3736 clarify the language in the *Medicare Claims Processing Manual*, Pub. 100-04, Chapter 12, Section 90.4.5c to indicate that the bonus is payable for all professional services provided in a mental health HPSA by psychiatrists that are licensed to provide services in a mental health HPSA..
- Medicare recognizes geographic-based, primary medical care, and mental health HPSAs as eligible areas for receiving bonus payments.
- A Medicare bonus payment is payable for all professional services provided in a mental health HPSA by psychiatrists that are licensed to provide services in a mental health HPSA.
- Some carriers and FIs may have interpreted Medicare's instructions in such a way that they limited bonus payments in the mental health HPSAs to services that they determined were mental health services and may have initiated overpayment recovery actions for bonuses they determined to be paid incorrectly. The Centers for Medicare & Medicaid Services (CMS) has determined that these actions are incorrect.
- Medicare carriers and FIs must:

- Review any overpayment actions taken on mental health HPSAs;
- Cancel overpayment recovery actions that were initiated and in progress;
- Return any bonus payment to psychiatrists in mental health HPSAs that were incorrectly recovered in any overpayment actions taken since implementation of the HPSA mental health bonus payment on July 1, 2004; and
- Make bonus payments for those services that were initially withheld.

Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3736.pdf> on the CMS website.

The official instruction (CR3736) regarding this change may be viewed at

<http://www.cms.gov/Transmittals/downloads/R524CP.pdf> on the CMS website.

MM3108: "Medicare Incentive Payments for Physician Care in Underserved Areas" can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3108.pdf> on the CMS website.

MM3336: "Bonus Payments for Services in Health Professional Shortage Areas (HPSAs)" can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3336.pdf> on the CMS website.