



Related MLN Matters Article #: MM5711

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Sunset of the Physician Scarcity Area (PSA) Bonus Payment

Key Words

MM5711, CR5711, R1321CP, PSA, Bonus, Scarcity

Provider Types Affected

Providers billing a Medicare carrier, Fiscal Intermediary (FI), or Part A/B Medicare Administrative Contractor (A/B MAC) for services provided to Medicare beneficiaries in physician scarcity areas

Key Points

- The effective date of the instruction is January 1, 2008.
- The implementation date is January 7, 2008.
- Section 413(a) of the Medicare Modernization Act requires Medicare to pay an additional 5 percent bonus to physicians rendering service in a designated PSA.
- Physician scarcity designations are based on the lowest primary care and specialty care ratios of Medicare beneficiaries to active physicians in every county or the lowest primary care and specialty care ratios of Medicare beneficiaries to active physicians in each identified rural census tract.
- The bonus payment is based on the amount actually paid, not the amount Medicare approved for each service.
- The key point of Change Request (CR) 5711 is that the PSA termination date is December 31, 2007, and is not payable for dates of service after that date.

Important Links

The related MLN Matters article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5711.pdf> on the CMS website.

The official instruction (CR5711) regarding this change may be viewed at <http://www.cms.hhs.gov/Transmittals/downloads/R1321CP.pdf> on the CMS website.

For the CMS website with information about Health Professional Shortage Area/PSA (Physician Bonuses) and ZIP code downloadable files, providers may visit

<http://www.cms.hhs.gov/HPSAPSAPhysicianBonuses/> on the CMS website.

If providers have questions regarding this issue, they may contact their Medicare carrier, FI, 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.