



Related MLN Matters Article #: MM5895

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Summary of Policies in the 2008 Medicare Physician Fee Schedule (MPFS) and the Telehealth Originating Site Facility Fee Payment Amount

Key Words

MM5895, R1423CP, CR5895, MPFS, Physician, Telehealth, Originating

Provider Types Affected

Physicians, other practitioners, providers, and suppliers submitting claims to Medicare Carriers, Fiscal Intermediaries (FIs), and/or Part A/B Medicare Administrative Contractors (A/B MACs) for services provided to Medicare beneficiaries and paid under the MPFS

Key Points

- The effective date of the instruction is January 1, 2008.
- The implementation date is January 7, 2008.
- The Social Security Act (Section 1848(b)(1) (http://www.ssa.gov/OP_Home/ssact/title18/1848.htm)) requires the Centers for Medicare & Medicaid Services (CMS) to provide (by regulation before November 1 of each year) fee schedules that establish payment amounts for physicians' services for the subsequent year.
- CMS published a document that will affect payments to physicians effective January 1, 2008.
- The Social Security Act (Section 1834(m) (http://www.ssa.gov/OP_Home/ssact/title18/1834.htm)) established the payment amount for the Medicare telehealth originating site facility fee for telehealth services provided from October 1, 2001, through December 21, 2002, at \$20.
- For telehealth services provided on or after January 1 of each subsequent calendar year, the telehealth originating site facility fee is increased (as of the first day of the year) by the percentage increase in the Medicare Economic Index (MEI), as defined in the Social Security Act (Section 1842(i)(3) at http://www.ssa.gov/OP_Home/ssact/title18/1842.htm on the Internet).
- The MEI increase for 2008 is 1.8 percent.
- For calendar year 2008, the payment amount for Healthcare Common Procedure Coding System (HCPCS) code Q3014 (Telehealth originating site facility fee) is either 80 percent of the lesser of the actual charge or \$23.35.

- Providers should note that the beneficiary is responsible for any unmet deductible amount or coinsurance.
- In summary, Change Request (CR) 5895 instructs the Medicare contractor to:
 - Pay for the Medicare telehealth originating site facility fee as described by HCPCS code Q3014 at 80 percent of the lesser of the actual charge or \$23.35; and
 - Consider payment for the following HCPCS codes only when appropriate, reasonable, and necessary (i.e., when the service is provided to evaluate patients with signs/symptoms of illness or injury) as per the Social Security Act (Section 1862(a)(1)(A) at http://www.ssa.gov/OP_Home/ssact/title18/1862.htm on the Internet):

HCPCS Code	Descriptor
G0396	Alcohol and/or substance (other than tobacco) abuse structured assessment (e.g., AUDIT, DAST) and brief intervention, 15 to 30 minutes.
G0397	Alcohol and/or substance (other than tobacco) abuse structured assessment (e.g., AUDIT, DAST) and intervention greater than 30 minutes.

Additional Note

- CR5895 does not include any changes that would be affected by recent legislation (i.e., 0.5 percent update to the conversion factor, changes to the geographic practice cost indices floor, etc.). Information regarding these changes can be found in CR5944 (Emergency - Legislative Change Affecting the 2008 MPFS and Extension of the 2008 Participation Open Enrollment Period) at <http://www.cms.hhs.gov/Transmittals/downloads/R312OTN.pdf> on the CMS website.

Important Links

The related MLN Matters article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5895.pdf> on the CMS website.

The official instruction (CR5895) regarding this change may be viewed at <http://www.cms.hhs.gov/Transmittals/downloads/R1423CP.pdf> on the CMS website.

See the attachment to CR5895 for a summary of significant issues discussed in CMS-1325-FC, Medicare Program; Revisions to Payment Policies Under the Physician Fee Schedule, and Other Part B Payment Policies for CY 2008; Revisions to the Payment Policies of Ambulance Services Under the Ambulance Fee Schedule for CY 2008; and the Amendment of the E-Prescribing Exemption for Computer-Generated Facsimile Transmissions.

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.