



## Provider Inquiry Assistance

### New 2008 Medicare Physician Fee Schedule (MPFS) Payment Rates Effective for Dates of Service July 1, 2008, through December 31, 2008 – JA6212

Related CR Release Date: October 24, 2008

Date Job Aid Revised: October 31, 2008

Effective Date: July 1, 2008

Implementation Date: October 24, 2008  
(unless otherwise noted below)

#### Key Words

MM6212, CR6212, R389OTN, 2008, MPFS, Fee, Schedule, Payment

#### Contractors Affected

- Medicare Carriers
- Fiscal Intermediaries (FIs)
- Part A/B Medicare Administrative Contractors (A/B MACs)
- Regional Home Health Intermediaries (RHHIs)

#### Provider Types Affected

Physicians, providers, and suppliers submitting claims to Medicare Carriers, FIs, A/B MACs, and/or RHHIs for services provided to Medicare beneficiaries and paid under the MPFS



- Change Request (CR) 6212 announces the new 2008 MPFS payment rates effective for dates of service July 1, 2008, through December 31, 2008. Medicare contractors have already implemented the actions annotated in this MLN Matters article MM6212.
- The Centers for Medicare & Medicaid Services (CMS) directed Medicare contractors to revert back to the 0.5 percent payment rates that were previously in place until June 30, 2008, and to use those rates through December 31, 2008.

#### Provider Needs to Know...

- Consistent with the Medicare Improvements for Patients and Providers Act of 2008 carriers/Part B MACs are using the same fees as used for January 1 through June 30, 2008, to make payments to ambulatory surgical centers (ASCs) for July 1 through December 31, 2008.
- Those fees reflect the continuation of the payment policy for brachytherapy services at carrier/Part B MAC-priced amounts and the prospective rates for other ASC services.
- FIs/Part A MACs also have reverted back to the fees that were in effect from January 1,

2008, through June 30, 2008.

- Based on the new legislation, CMS provided Medicare contractors with new revised fees for selected mental health codes that had an increase in their fee schedule amounts. The effective date for the increase for the mental health codes was for dates of service on and after July 1, 2008. Medicare contractors are currently paying the new fees.
- After Medicare contractors began paying claims at the new rates, they began to identify any MPFS claims that were paid at the -10.6 percent rate for dates of service on and after July 1, 2008. Contractors are in the process of automatically adjusting those claims and must complete the adjustments no later than September 30, 2008.
- There may be some claims that cannot be automatically adjusted. Under the Medicare statute, Medicare pays the lower of submitted charges or the Medicare fee schedule amount.
- Claims with dates of service July 1, 2008, and later billed with a submitted charge at least at the level of the January 1 through June 30, 2008, fee schedule amount will be automatically reprocessed.
- Any lesser amount requires providers to contact their local contractor for direction on obtaining adjustments.
- Non-participating physicians who submitted unassigned claims at the reduced non-participation amount also will need to request an adjustment.
- Contractors are following the normal process for transmitting the adjusted claims to supplemental insurers, where appropriate. Contractors disclosed the new MPFS rates on their websites by July 23, 2008.

Background

- MIPPA was enacted on July 15, 2008.
- The -10.6 percent Medicare Physician Fee Schedule (MPFS) that took effect on July 1, 2008, was changed back to the January-June 2008 rates, which reflect an update of 0.5 percent.
- CMS directed **Medicare contractors** to revert back to the 0.5 percent payment files that were previously in place until June 30, 2008. .
- The new MPFS rates are retroactive to July 1, 2008.
- CR6212 is the formal instruction that explains what has already taken place.

Operational Impact N/A

**Reference  
Materials**

The related MLN Matters article can be found at  
<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6212.pdf> on the CMS  
website.

The official instruction (CR6212) regarding this change may be viewed at  
<http://www.cms.hhs.gov/Transmittals/downloads/R389OTN.pdf> on the CMS website.

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