



Expansion of the Current Scope of Editing for Ordering/Referring Providers for Claims Processed by Medicare Carriers and Part B Medicare Administrative Contractors (MACs) – JA6417

Note: MLN Matters® article MM6417 was revised to reflect the changes in the release of a new Change Request (CR) on February 26, 2010. The implementation date for some of the requirements of Phase 2 is being changed from April 5, 2010, to January 3, 2011 (see below). The Transmittal number, CR release date and Web address for accessing the CR has also been changed. All other information remains the same. **However, it is extremely important to read MLN Matters® Special Edition article, SE1011, at <http://www.cms.gov/MLN MattersArticles/downloads/SE1011.pdf> to see important clarifying information regarding this issue.**

Related CR Release Date: February 26, 2010 **Revised**

Date Job Aid Revised: April 5, 2010

Effective Date: Phase 1: October 5, 2009
Phase 2: January 3, 2011

Implementation Date: Phase 1: October 5, 2009
Phase 2: January 3, 2011

Key Words MM6417, CR6417, R642OTN, Ordering, Referring

Contractors Affected

- Medicare Carriers
- Part B MACs

Provider Types Affected Physicians, non-physician practitioners, and other Part B providers and suppliers submitting claims to carriers or Part B MACs for items or services that were ordered or referred



- CR6417 requires Medicare implementation of system edits to assure that Part B providers and suppliers bill for ordered or referred items or services **only** when those items or services are ordered or referred by physician and non-physician practitioners who are eligible to order/refer such services.
- Physician and non-physician practitioners who order or refer must be enrolled in the Medicare Provider Enrollment, Chain and Ownership System (PECOS) and must be of the type/specialty that is eligible to order/refer services for Medicare beneficiaries.
- These changes will impact Part B provider and supplier claims for ordered or referred items or services that are received and processed on or after October 5, 2009.

Phase 1 (October 5, 2009- January 2, 2011)

- If the billed item or service requires an ordering/referring provider and the ordering/referring provider is not in the claim, the claim will not be paid. **It will be rejected.**
- If the ordering/referring provider is on the claim, Medicare will verify that the ordering/referring provider is in PECOS and is eligible to order/refer in Medicare.
 - If the ordering/referring provider is not in PECOS, the carrier or Part B MAC will search its claims system for the ordering/referring provider. If the ordering/referring provider is not in PECOS and is not in the claims system, the claim will continue to process and the Part B provider or supplier will receive a warning message on the Remittance Advice.
 - If the ordering/referring provider is in PECOS or the claims system but is not of the specialty to order or refer, the claim will continue to process and the Part B provider or supplier will receive a warning message on the Remittance Advice.

Phase 2 (January 3, 2011, and thereafter)

Provider Needs to Know...

- If the billed item or service requires an ordering/referring provider and the ordering/referring provider is not in the claim, the claim will not be paid. **It will be rejected.**
 - If the ordering/referring provider is on the claim, Medicare will verify that the ordering/referring provider is in PECOS and eligible to order and refer.
 - If the ordering/referring provider is not in PECOS, the carrier or Part B MAC will search its claims system for the ordering/referring provider.
 - If the ordering/referring provider is not in PECOS and is not in the claims system, the claim will not be paid. **It will be rejected.**
 - If the ordering/referring provider is in PECOS or the claims system but is not of the specialty to order or refer, the claim will not be paid. **It will be rejected.**
 - In **both phases**, Medicare will verify the National Provider Identifier (NPI) and the name of the ordering/referring provider reported in the claim against PECOS or, if the ordering/referring provider is not in PECOS, against the claims system. **If the billed service requires an ordering/referring provider and the ordering/referring provider is not on the claim, the claim will not be paid.**
 - On paper claims, providers should not to use periods or commas within the name of the ordering/referring provider. Hyphenated names are permissible.
 - Providers who order or refer may want to verify their enrollment in PECOS. They may do so by accessing Internet-based PECOS at <https://pecos.cms.hhs.gov/pecos/login.do> on the CMS website.
 - Before using Internet-based PECOS, providers should read the educational material about Internet-based PECOS that is available at http://www.cms.hhs.gov/MedicareProviderSupEnroll/04_InternetbasedPECOS.asp
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on the CMS website. Once at that site, providers should scroll to the “Downloads” section of that page and click on the materials that apply to them and their practice.

Note: The changes being implemented with CR6417 do not alter any existing regulatory restrictions that may exist with respect to the types of items or services for which some of the provider types listed above can order or refer or any claims edits that may be in place with respect to those restrictions.

- CMS is expanding claim editing to meet the Social Security Act requirements for ordering and referring providers. Section 1833(q) of the Social Security Act requires that all ordering and referring physicians and non-physician practitioners meet the definitions at Sections 1861(r) and 1842(b)(18)(C) and be uniquely identified in all claims for items and services that are the results of orders or referrals.
- Effective January 1, 1992, a provider or supplier who bills Medicare for an item or service that was ordered or referred must show the name and unique identifier of the ordering/referring provider on the claim.
- Claims that are the result of an order or a referral must contain the NPI and the name of the ordering/referring provider. The ordering/referring provider must be in PECOS or in the Medicare Carrier's or Part B MAC's claims system with one of the following types/specialties.

Background

- Only the following provider specialties can order or refer beneficiary services:
 - Doctor of Medicine or Osteopathy;
 - Dental Medicine;
 - Dental Surgery;
 - Podiatric Medicine;
 - Optometry;
 - Chiropractic Medicine;
 - Physician Assistant;
 - Certified Clinical Nurse Specialist;
 - Nurse Practitioner;
 - Clinical Psychologist;
 - Certified Nurse Midwife; and
 - Clinical Social Worker.

Operational Impact N/A

Reference Materials The related MLN Matters® article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6417.pdf> on the CMS website.

The official instruction (CR6417) issued regarding this change may be found at <http://www.cms.hhs.gov/Transmittals/downloads/R6420TN.pdf> on the CMS website.

A separate article (MM6421) discusses similar edits affecting claims from suppliers of DMEPOS for items or services that were ordered or referred, and relates to CR6421. That article is at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6421.pdf> on the CMS website.)
