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**Note:** This article was updated on February 4, 2013, to reflect current Web addresses. All other information remains unchanged.

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

### Provider Types Affected

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

### Provider Action Needed



#### **STOP – Impact to You**

The Centers for Medicare & Medicaid Services (CMS) is directing Medicare carriers and FIs to 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 to make bonus payment for those services that were initially withheld.



#### **CAUTION – What You Need to Know**

A Medicare bonus payment is payable for all professional services provided as authorized by license by psychiatrists in a mental health HPSA.



#### **GO – What You Need to Do**

Affected psychiatrists and CAHs should be aware of this action to be sure they receive correct payments for furnishing services to Medicare patients in mental health HPSAs.

### Background

#### **Disclaimer**

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

Federal law for Medicare bonus payments recognizes geographic-based, primary medical care and mental health HPSAs as eligible areas for receiving bonus payments. Consequently, physicians, including psychiatrists, furnishing services in primary medical care HPSAs are eligible to receive bonus payments. Psychiatrists furnishing services in mental health HPSAs are eligible to receive bonus payments for all professional services they provide in mental health HPSAs.

Effective July 1, 2004, carriers and FIs began making HPSA bonus payments to psychiatrists furnishing services in mental health HPSAs. 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 they determined were mental health services and may have initiated overpayment recovery actions for bonuses they determined to be paid incorrectly. CMS has determined that these actions are incorrect.

CR 3736 clarifies 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 by psychiatrists in a mental health HPSA that they are licensed to provide. It also instructs carriers and FIs to review any overpayment actions taken on mental health HPSAs, cancel any overpayment recovery actions that have been initiated and are in process, and return any overpayments already collected.

### Additional Information

These bonus payments were also addressed in MLN Matters articles MM3108 and MM3336. To view the details on the payments, you may retrieve these articles, respectively, at <http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/MM3108.pdf> and <http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/MM3336.pdf> on the CMS website.

The official instruction issued to your carrier/intermediary regarding this change may be found at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R524CP.pdf> on the CMS website.

If you have questions regarding this issue, contact your carrier/intermediary on their toll free number, which is available at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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