



An additional election period for the Competitive Acquisition Program (CAP) for Medicare Part B drugs will start on January 15 and run through February 15, 2008, to give physicians a chance to take advantage of new changes to the program that began on January 1, 2008. The CAP is a voluntary program that provides an alternative to ASP for physicians to obtain certain Part B drugs. More information about the CAP is available at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Part-B-Drugs/CompetitiveAcquisforBios/index.html> on the CMS website.

MLN Matters Number: MM5895

Related Change Request (CR) #: 5895

Related CR Release Date: February 1, 2008

Effective Date: January 1, 2008

Related CR Transmittal #: R1423CP

Implementation Date: January 7, 2008

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

Note: This article was updated on July 6, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Physicians, other practitioners, providers, and suppliers submitting claims to Medicare contractors (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.

Provider Action Needed

This article is based on Change Request (CR) 5895 which contains summaries of the policy changes in the 2008 Medicare Physician Fee Schedule and the telehealth originating site facility fee for 2008. (Note: This CR does not include any changes that would be affected by recent legislation (i.e., 0.5 percent update

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to the conversion factor, changes to the geographic practice cost indices floor, etc. Information regarding these changes can be found in CR 5944, Legislative Change Affecting the 2008 Medicare Physician Fee Schedule (MPFS) and Extension of the 2008 Participation Open Enrollment Period.)

Background

The Social Security Act (Section 1848(b)(1) at http://www.ssa.gov/OP_Home/ssact/title18/1848.htm on the Internet) 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) at http://www.ssa.gov/OP_Home/ssact/title18/1834.htm on the Internet) established the payment amount for the Medicare telehealth originating site facility fee for telehealth services provided from October 1, 2001 through December 31, 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 80 percent of the lesser of the actual charge or \$23.35. Note: The beneficiary is responsible for any unmet deductible amount or coinsurance.

In summary, CR5895 instructs your 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 of the Social Security

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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 (eg, AUDIT, DAST) and brief intervention, 15 to 30 minutes.
G0397	Alcohol and/or substance (other than tobacco) abuse structured assessment (eg, AUDIT, DAST) and intervention greater than 30 minutes.

See the attachment to CR 5895, available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1423CP.pdf> on the CMS website, 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.

Additional Information

The official instruction, CR5895, issued to your Medicare carrier, FI, and A/B MAC regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1423CP.pdf> on the CMS website.

If you have any questions, please contact your Medicare carrier, FI, or A/B MAC at their toll-free number, which may be found 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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