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Information for Medicare Fee-For-Service Health Care Professionals

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Population-Based Disease Management - Use of Group Health Plan Payment System for Medicare Disease Management Demonstration Serving Medicare Fee For Service Beneficiaries

Note: This article was updated on February 26, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

All Medicare providers

Provider Action Needed

The Centers for Medicare & Medicaid Services (CMS) has begun a Medicare Disease Management Demonstration to improve care for chronically ill Fee-For-Service Medicare beneficiaries who suffer from advanced stage heart disease or diabetes. The Disease Management Organization, LifeMasters, is currently enrolling beneficiaries in Florida.

This Disease Management Organization is not an HMO, but is being paid, using the CMS Group Health System/MMCS, to pay a fixed monthly payment for disease management services as an "OPTION 1" cost plan or as an "OPTION 4" plan, which will be a phase in over the next few months. "OPTION 4" means the same as "OPTION 1" but will reference "Chronic Care Organizations" and will also help to differentiate the demonstration enrollees from an HMO enrollee.

With the exception of how CMS is paying this private organization, beneficiaries enrolled in this program will be considered covered under the traditional Medicare FFS program for all other purposes. Beneficiaries are not restricted in any way on how they receive their other Medicare services and will only receive coordinated care/disease management services from the following chronic care organization:

LifeMasters = H5413 (plan number) in the Medicare systems

Reminder: The Medicare beneficiaries participating in the Medicare Disease Management Demonstration are NOT enrolled in an HMO; they should be treated as traditional Fee-For-Service beneficiaries. No referrals for care are needed and all Fee-For-Service claims will be processed under traditional Medicare payment rules.

Disclaimer

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Background

This population based demonstration is intended to evaluate how disease management services can improve the health outcomes of Medicare beneficiaries diagnosed with advanced-stage illness from congestive heart failure, diabetes, or coronary heart disease. Up to 30,000 eligible Medicare Fee-For-Service beneficiaries will be enrolled in the treatment arm of the study during the three-year project in Florida.

The project will help Medicare:

- Find better ways to improve the quality of life for people with diabetes and chronic heart disease;
- Determine the benefits of disease management programs for chronically ill persons; and
- Find ways to make these services available to people with Medicare.

The disease management participants will receive disease management services in addition to their usual Medicare benefits. All participants remain in the traditional Fee-For-Service Medicare program under the care of their own doctor. The program is voluntary and the decision whether or not to participate does not affect Medicare benefits.

Demonstration Location

Florida – LifeMasters will be providing services to 30,000 eligible Medicare beneficiaries with congestive heart failure, diabetes, and coronary heart disease in Florida. (Questions? Call 1-888-716-2838).

Medicare Eligibility File Inquiry Screens

When confirming eligibility of a beneficiary participating in the Medicare Disease Management Demonstration, Medicare systems screens will display a line item indicating enrollment in an "Option 1" HMO Cost Plan or an "Option 4" plan. The definition of Option 1 means that Medicare is still primary and Fee-For-Service benefits are covered; no referrals for care are needed. Claims continue to be processed by Medicare as primary under the traditional Fee-For-Service program. **Even though this demonstration is coded with an HMO plan number, the beneficiaries are not enrolled in an HMO.** Beneficiaries or providers calling to confirm Medicare eligibility should be informed that they/the patient are Medicare eligible and that they are Fee-for-Service beneficiaries, not enrolled in an HMO cost plan.

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