

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



News Flash – ICD-10 Medicare Severity Diagnosis Related Grouper (MS-DRG), Version 30.0 (FY 2013) mainframe and PC software is now available. This software is being provided to offer the public a better opportunity to review and comment on the ICD-10 MS-DRG conversion of the MS-DRGs. This software can be ordered through the [National Technical Information Service](#) (NTIS) website. A link to NTIS is also available in the Related Links section of the [ICD-10 MS-DRG Conversion Project](#) website. The final version of the ICD-10 MS-DRGs will be subject to formal rulemaking and will be implemented on October 1, 2014.

MLN Matters® Number: MM7208

Related Change Request (CR) #: 7208

Related CR Release Date: March 28, 2011

Effective Date: January 1, 2011

Related CR Transmittal #: R2186CP

Implementation Date: April 4, 2011

Waiver of Coinsurance and Deductible for Preventive Services for Rural Health Clinics (RHCs), Section 4104 of the Affordable Care Act

Note: This article was revised on March 22, 2013, with an updated ICD-10 News Flash. Previously, this article was revised on February 21, 2012, to add references to MLN Matters® articles that provide updated information on Preventive Services Coverage. That information was added in the Additional Information section below. All other information remains the same.

Provider Types Affected

Rural Health Clinics (RHCs) that submit claims to Fiscal Intermediaries (FIs) and Part A/B Medicare Administrative Contractors (MACs) for services rendered to Medicare beneficiaries are affected.

What You Need to Know

This article, based on Change Request (CR) 7208, explains how RHCs should bill for certain preventive services under the Affordable Care Act. You should make sure that your billing staffs are aware of this change.

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Effective for dates of service on or after January 1, 2011, coinsurance and deductible are not applicable for the Initial Preventive Physical Examination (IPPE), the annual wellness visit, and other Medicare covered preventive services provided by RHCs. However, to ensure coinsurance and deductible are not applied, you must provide detailed Healthcare Common Procedure Coding System (HCPCS) coding for preventive services recommended by the United States Preventive Services Task Force (USPSTF) with a grade of A or B. The Affordable Care Act also waives the deductible for planned colorectal cancer screening tests that become diagnostic.

Background

Provisions of the Affordable Care Act waive coinsurance and deductible for the IPPE, the annual wellness visit, and other Medicare covered preventive services recommended by the USPSTF with a grade of A or B. Detailed HCPCS coding is required to ensure that coinsurance and deductible are not applied to these preventive services when submitted by RHCs on a 71X type of bill with dates of service on or after January 1, 2011.

Payment for the professional component of allowable preventive services is made under the all-inclusive rate when all of the program requirements are met. When one or more preventive service that meets the specified criteria is provided as part of an RHC visit, charges for these services must be deducted from the total charge for purposes of calculating beneficiary copayments and deductibles. For example, if the total charge for the visit is \$150, and \$50 of that is for a qualified preventive service, the beneficiary copayment and deductible is based on \$100 of the total charge. If no other RHC service took place along with the preventive service, there would be no copayment or deductible applied.

Note: Although the Medicare system changes are not being implemented until April 4, 2011, providers shall begin submitting detailed HCPCS code reporting for preventive services starting January 1, 2011 as indicated above.

Additional Information

The official instruction, CR 7208, issued to your FI or A/B MAC regarding this change, may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R2186CP.pdf> on the CMS website. A list of the current HCPCS codes defined as preventive services under Medicare and the HCPCS codes for the IPPE and the annual wellness visit is in CR7012 at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R864OTN.pdf> on the CMS website. For more information about Medicare-covered preventive services, including coverage and payment policies, you may want to review the following:

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- MM7636 (<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM7636.pdf>) alerts providers that effective beginning November 8, 2011, Medicare covers intensive behavioral therapy (IBT) for cardiovascular disease as a new preventive service, including one face-to-face cardiovascular disease risk reduction visit annually when furnished in a primary care setting.
- MM7633 (<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM7633.pdf>) alerts providers that effective beginning October 4, 2011, Medicare covers annual alcohol screening as a new preventive service and, for those that screen positive, up to four brief face-to-face behavioral counseling interventions annually for beneficiaries when furnished in the primary care setting.
- MM7637 (<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM7637.pdf>) alerts providers that effective beginning October 14, 2011, Medicare covers annual depression screening for adults as a new preventive service when furnished in a primary care setting.

If you have any questions, please contact your 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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