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Instructions for the Payment of Health Professional Shortage Area (HPSA) and Physician Scarcity Area (PSA) Bonuses When the Place of Service (POS) Is Home

Note: This article was updated on October 26, 2012, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Physicians billing carriers for services provided in the home of Medicare beneficiaries in Health Professional Shortage Areas (HPSAs) and Physician Scarcity Areas (PSAs)

Provider Action Needed

This article is based on Change Request (CR) 4275, which provides instructions for the payment of HPSA/PSA bonuses when the Place of Service (POS) is home. This change is necessary to allow bonuses to be paid correctly on HPSA/PSA claims eligible for bonuses that are provided in the POS "Home," when the address of where the service was rendered does not match what is on the beneficiary's file.

Background

When a physician provides services to a Medicare beneficiary and the POS is "Home," carriers have been instructed to use the home address they have recorded in the beneficiary's file to determine eligibility for physician bonuses. However, sometimes this address is a representative payee address or mailing address that does not reflect the physical location of that beneficiary. This can cause incorrect payment/non-payment of the bonuses.

CR4275 indicates that this issue should be resolved when the next version of the ANSI X12 N837 Implementation Guide is published, because physicians will be required to enter where the service was performed on the claim, even when the

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POS is "Home." CR4275 also instructs carriers to investigate a claim (to determine the address where the service was actually performed) when they receive a notification from a physician that they have not received a HPSA/PSA bonus for which they are eligible, and the service was provided in the POS "Home." If the carrier determines that the address where the service was actually performed is in an HPSA/PSA eligible bonus payment area (even if it does not match the address on the beneficiary file), they will pay the bonus on the claim. The physician will also be instructed to submit future claims for this beneficiary, when provided at that address, using the appropriate HPSA or PSA modifier so that the bonus shall be paid.

Additional Information

An overview of the HPSA/PSA physician bonuses including HPSA and PSA modifiers can be found at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HPSAPSAPhysicianBonuses/index.html/HPSAPSAPhysicianBonuses/> on the CMS website.

For complete details, please see the official instruction issued to your carrier regarding this change. That instruction may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R813CP.pdf> on the CMS website.

If you have any questions, please contact your carrier 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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