



News Flash – A new Medicare Learning Network® booklet titled "Medicare Information for Advanced Practice Nurses and Physician Assistants" (September 2010), which is designed to provide education on Medicare requirements for advanced practice nurses (APN) and physician assistants (PA), is now available in downloadable format at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Medicare_Information_for_APNs_and_PAs_Booklet_ICN901623.pdf on the CMS website. This publication provides information about required qualifications, coverage criteria, billing, and payment for Medicare services furnished by APNs and PAs.

MLN Matters® Number: MM7005

Related Change Request (CR) #: 7005

Related CR Release Date: August 6, 2010

Effective Date: January 1, 2011

Related CR Transmittal #: R2024CP

Implementation Date: January 3, 2011

Note: This article was updated on December 7, 2012, to reflect current Web addresses. All other information remains unchanged.

Payment for Certified Nurse-Midwife (CNM) Services

Provider Types Affected

Certified nurse midwives (CNMs), submitting claims to Medicare contractors (carriers, Fiscal Intermediaries (FI), and Part A/B Medicare Administrative Contractors (A/B MACs)) for Medicare Part B services provided to Medicare beneficiaries are impacted by this article.

Provider Action Needed

This article is based on Change Request (CR) 7005, which explains that, effective on or after January 1, 2011, Medicare contractors will pay CNMs for their services at 80 percent of the lesser of the actual charge or 100 percent of the Medicare Physician Fee Schedule (MPFS) amount that would be paid for the same service if furnished by a physician.

In addition, changes have been made regarding the services that CNMs furnish to patients in critical access hospitals (CAHs) paid under the optional method. These changes reflect the increase in payment for CNM services effective January 1,

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2011, and specify the appropriate modifier that must be used when billing for CNM services furnished to patients in this setting.

Please ensure that your billing staffs are aware of these payment changes.

Background

Section 3114 of the Affordable Care Act of 2009, increased the amount of payment that the Medicare program will make to CNMs for their personal professional services and for services furnished incident to their professional services. For services on or after January 1, 1992, through December 31, 2010, Medicare payment has been made at 80 percent of the lesser of the actual charge or 65 percent of the MPFS amount that would be paid for the same service furnished by a physician.

To summarize, for services on or after January 1, 1992, through December 31, 2010:

- Medicare contractors will pay CNMs for their services and services furnished incident to their professional services at 80 percent of the lesser of the actual charge or 65 percent of the physician fee schedule amount that would be paid to a physician for the same service.
- Contractors will pay CNMs for their care in connection with a global service at 65 percent of what a physician would have been paid for the total global fee.

For services on or after January 1, 2011:

- Medicare will pay CNMs for their services and services furnished incident to their professional services at 80 percent of the lesser of the actual charge or 100 percent of the physician fee schedule amount that would be paid to a physician for the same service.
- Medicare will pay CNMs for their care in connection with global services at 80 percent of the lesser of the actual charge or 100 percent of what a physician would have been paid for the total global fee.
- Medicare will pay for CNM services furnished to CAH patients paid under the optional method on TOB 85X with revenue code 96X, 97X or 98X and modifier SB (Certified Nurse-Midwife) based on the lesser of the actual charge or 100 percent of the MPFS amount as follows: [(facility- specific MPFS amount) minus (deductible and coinsurance)] times 1.15.

Payment for CNM services is made directly to CNMs for their professional services and for services furnished incident to their professional services. CNMs are required to accept assigned payment for their services. Accordingly, when CNMs bill for their services under specialty code 42, billing does not have to flow through

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a physician or facility unless the CNM reassigns their benefits to another billing entity. For reassigned CNM services, the entity bills for CNM services using the specialty code 42 to signify that payment for CNM services is being claimed.

Payment for covered drugs and biologicals furnished incident to CNMs' services is made according to the Part B drug/biological payment methodology. Covered clinical diagnostic laboratory services furnished by CNMs are paid according to the clinical diagnostic laboratory fee schedule.

When CNMs furnish outpatient treatment services for mental illnesses, these services could be subject to the outpatient mental health treatment limitation (the limitation). The appropriate percentage payment reduction under the limitation is applied first to the approved amount for the mental health treatment services before the actual payment amount is determined for the CNMs' services. Please refer to the *Medicare Claims Processing Manual*, Chapter 12, Section 210, available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c12.pdf> on the Centers for Medicare & Medicaid Services (CMS) website, to determine the appropriate percentage payment reduction under the limitation.

When a certified nurse-midwife is providing most of the care to a Medicare beneficiary that is part of a global service and a physician also provides a portion of the care for this same global service, the fee paid to the CNM for his or her care is based on the portion of the global fee that would have been paid to the physician for the care provided by the CNM.

For example, a CNM requests that the physician examine the beneficiary prior to delivery. The CNM has furnished the ante partum care and intends to perform the delivery and post partum care. The MPFS amount for the physician's total obstetrical care (global fee) is \$1,000. The MPFS amount for the physician's office visit is \$30. The following calculation shows the maximum allowance for the CNM's service:

MPFS amount for total obstetrical care	\$1,000.00
MPFS amount for visit	- \$30.00
Result	\$ 970.00
Fee schedule amount for certified nurse-midwife (65% x \$970, effective 1/1/1992-12/31/2010)	\$ 630.50
Fee schedule amount for certified nurse-midwife (100% x 970, effective 1/1/2011)	\$ 970.00

Therefore, the certified nurse-midwife would be paid no more than 80 percent of \$630.50 or, 80 percent of \$970.00 for services furnished on or after 1/1/2011, for

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the care of the beneficiary. This calculation also applies when a physician provides most of the services and calls in a certified nurse-midwife to provide a portion of the care.

Physicians and certified nurse midwives use reduced service modifiers to report that they have not provided all the services covered by the global allowance.

Additional Information

If you have questions, please contact your Medicare carrier, FI, and/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. The official instruction issued to your Medicare carrier, FI, and/or A/B MAC regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R2024CP.pdf> on the CMS website.

News Flash - Each Office Visit is an Opportunity. Medicare patients give many reasons for not getting their annual flu vaccination, but the fact is that there are 36,000 flu-related deaths in the United States each year, on average. More than 90% of these deaths occur in people 65 years of age and older. Please talk with your Medicare patients about the importance of getting their annual flu vaccination. This Medicare-covered preventive service will protect them for the entire flu season. And remember, vaccination is important for health care workers too, who may spread the flu to high risk patients. **Don't forget to immunize yourself and your staff. Protect your patients. Protect your family. Protect yourself. Get Your Flu Vaccine - Not the Flu.** Remember – Influenza vaccine plus its administration are covered Part B benefits. Note that influenza vaccine is NOT a Part D covered drug. For information about Medicare's coverage of the influenza vaccine and its administration, as well as related educational resources for health care professionals and their staff, please visit http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Flu_Products.pdf and <http://www.cms.gov/Medicare/Prevention/Immunizations/index.html> on the CMS website.

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