

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1356	Date: October 19, 2007
	Change Request 5732

NOTE: This Transmittal is no longer sensitive and is being re-communicated November 2, 2007. The Transmittal Number, date of Transmittal and all other information remain the same.

Subject: Calendar Year (CY) 2008 Participation Enrollment and Medicare Participating Physicians and Suppliers Directory (MEDPARD) Procedures

I. SUMMARY OF CHANGES: Carriers conduct an enrollment period on an annual basis in order to provide eligible physicians, practitioners and suppliers with an opportunity to make their calendar year Medicare participation decision by December 31. To sign a participating agreement is to agree to accept assignment for all covered services that are provided to Medicare patients. After the enrollment period ends, an updated list of participating physicians, practitioners, and suppliers, is then published by each carrier in their local MEDPARD on the carrier's web site.

New / Revised Material

Effective Date: October 19, 2007

Note: The effective date is not the date of service for this instruction.

Implementation Date: November 9, 2007

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	Chapter / Section / Subsection / Title
N/A	

III. FUNDING:

SECTION A: For Fiscal Intermediaries and Carriers:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

SECTION B: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

**Unless otherwise specified, the effective date is the date of service.*

Attachment – Recurring Update Notification

Pub. 100-04	Transmittal: 1356	Date: October 19, 2007	Change Request: 5732
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SUBJECT: Calendar Year (CY) 2008 Participation Enrollment and Medicare Participating Physicians and Suppliers Directory (MEDPARD) Procedures

Effective Date: October 19, 2007

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Implementation Date: November 9, 2007

I. GENERAL INFORMATION

A. Background: Contractors conduct an enrollment period on an annual basis in order to provide eligible physicians, practitioners and suppliers with an opportunity to make their calendar year Medicare participation decision by December 31. To sign a participating agreement is to agree to accept assignment for all covered services that are provided to Medicare patients. After the enrollment period ends, carriers publish an updated list of participating physicians, practitioners, and suppliers, in their local MEDPARDs on their Web sites.

B. Policy: The annual participation enrollment program for CY 2008 will commence on November 15, 2007, and will run through December 31, 2007.

The purpose of this Recurring Update Notification is to furnish carriers with material needed for the CY 2008 participation enrollment effort. The following documents are attached:

- A Participation Announcement; and
- A Blank Participation Agreement;

Contractors shall produce and mail the participation enrollment material on a CD-ROM. **Contractors shall place the new fees (physician fee schedule fees and anesthesia conversion factors) on their Web site for providers to access and download. The information contained in this Recurring Update Notification must be kept CONFIDENTIAL until the Physician Fee Schedule Final Rule is put on display. Fees should not be posted on the web nor should the CDs be mailed until after the final rule is put on display.**

Contractors will receive a Special Edition (SE) Medicare Learning Network (MLN) Matters article via a joint signature memorandum. The SE-MLN Matters article should be included on the “Dear Doctor” CD if it is received by the carriers’ deadline for getting information to the vendor for replication. Like this instruction, the SE-MLN Matters article must be kept CONFIDENTIAL until the final rule is on display.

CMS will send all carriers an e-mail notice when the Physician Fee Schedule Final Rule has been put on display. The CDs should be mailed in time for physicians, practitioners, and suppliers, to receive the participation enrollment material by November 15, but the CDs should not be mailed before November 9.

Physicians, practitioners, and suppliers, enrolled in the Medicare program and who chose not to accept assignment for every covered service they furnish do not have to sign a “Medicare Participating Physician or Supplier Agreement” in order to bill Medicare and receive payment.

The CMS plans to release the Medicare Physician Fee Schedule Database (MPFSDB) and the anesthesia conversion factors to carriers electronically in mid to late October. This data must also be kept confidential until the physician fee schedule final rule is put on display.

II. BUSINESS REQUIREMENTS TABLE

Use “Shall” to denote a mandatory requirement

Number	Requirement	Responsibility (place an “X” in each applicable column)									
		A / B M A C	D M E M A C	F I	C A R R I E R	D M E R C	R H H I	Shared-System Maintainers			
							F I S S	M C S	V M S	C W F	
5732.1	Contractors shall reproduce the attachments and mail the participation material (excluding the fees) on a CD ROM. See the Internet Only Manual (IOM) Pub. 100-04, chapter 1, section 30.3.12.1.	X			X						
5732.2	Contractors shall display the fee data prominently on their Web site. For CY 2008 disclosure reports, contractors shall use the following format for displaying fees on the Web and/or hardcopy: <ul style="list-style-type: none"> • Procedure code (including professional and technical component modifiers, as applicable); • Par amount (non-facility); • Par amount (facility-based); • Non-par amount (non-facility); • Limiting charge (non-facility); • Non-par amount (facility-based); and • Limiting charge (facility-based). 	X			X						
5732.3	For CY 2008 disclosure reports, contractors shall provide the anesthesia conversion factors on their Web site.	X			X						
5732.4	Contractors shall display the fee schedule using a provider friendly format from which providers can download their particular	X			X						

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B M A C	D M E M A C	F I	C A R R I E R	D M E R C	R H H I	Shared-System Maintainers				OTHER
								F I S S	M C S	V M S	C W F	
	locality. Providers should not have to download the whole fee schedule file.											
5732.5	Contractors shall insert on the CD their Web site link for providers to use to view the new fees. A statement/paragraph should be added to the CD advising the providers that the new fees are posted on the contractor Web site and not available on the CD.	X			X							
5732.6	Effective immediately, contractors shall educate physicians via their Web site and whatever other provider outreach that can be utilized that the fees will be placed on the contractor Web site after the 2008 physician fee schedule regulation is put on display.	X			X							
5732.7	Contractors shall insert their Web site address for providers to use to access the 2008 payment rates in the space available at the end of the Participation Announcement sheet.	X			X							
5732.8	Contractors shall insert their contractor-specific information (i.e., toll-free telephone numbers, etc.) in the blank lines as indicated at the end of the Participation Announcement sheet.	X			X							
5732.9	Contractors shall inform providers via their listserv when the 2008 fees are posted to their Web site.	X			X							
5732.10	Contractors shall annotate the envelope containing the participation material with the following message: "Open Immediately. Package Contains 2008 Medicare Participation Information from the Centers for Medicare & Medicaid Services." NOTE: Contractors may use: "Open Immediately. Package Contains 2008 Medicare Participation Information from CMS." on the envelope, if it is helpful to do so. However, contractors that use this message must be sure the CMS logo is also on the envelope.	X			X							
5732.11	Contractors shall produce hard copy disclosures for providers who do not have Internet access or do not have the capability to access the CD-ROM.	X			X							

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B M A C	D M E M A C	F I	C A R R I E R	D M E R C	R H H I	Shared-System Maintainers				OTHER
								F I S S	M C S	V M S	C W F	
	NOTE: Contractors have the discretion to produce more than 2 percent hardcopy if needed.											
5732.12	Contractors shall not charge physicians requesting hard copy disclosures who do not have Internet access or do not have the capability to access the CD ROM.	X			X							
5732.13	Contractors shall include the Special Edition Medlearn Matters Article that will be sent to them via a joint signature memorandum on the CD as long as the article is received by the contractors' deadline for getting information to the vendor for replication.	X			X							
5732.14	Contractors shall mail participation enrollment materials via first class or equivalent delivery service, and schedule the release of these materials so that providers receive it no later than November 15, 2007, but do not mail it before November 9, 2007.	X			X							
5732.15	<p>The MPFSDB will contain the CY 2008 fee schedule amounts. Contractors shall include fee amounts for procedure codes with status indicators of A, T, and R (if Relative Value Units (RVUs) have been established by CMS). The following statements must be included on the fee disclosure reports:</p> <p>“All Current Procedural Terminology (CPT) codes and descriptors are copyrighted 2007 by the American Medical Association.”</p> <p>“These amounts apply when service is performed in a facility setting.” (This statement should be made applicable to those services subject to a differential based on place of service.)</p> <p>“The payment for the technical component is capped at the OPSS amount.” (This statement should be made applicable to services in which the technical portion was capped at the Outpatient Prospective Payment System amount.)</p>	X			X							

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B M A C	D M E M A C	F I	C A R R I E R	D M E R C	R H H I	Shared-System Maintainers				OTHER
								F I S S	M C S	V M S	C W F	
	See the Internet Only Manual (IOM) Pub. 100-04, chapter 1, section 30.3.12.1.											
5732.16	<p>If contractors choose to use code descriptors on their Web site, they must use the short descriptors contained in the Healthcare Common Procedure Coding System (HCPCS) file and the MPFSDB. If contractors find descriptor discrepancies between these two files, use the HCPCS file short descriptor.</p> <p>NOTE: The CMS has signed agreements with the American Medical Association regarding use of CPT, and the American Dental Association regarding use of Current Dental Terminology (CDT), on Medicare contractor Web sites, CD-ROMs, bulletin boards, and other electronic communications (refer to the IOM Publication 100-04, chapter 23, section 20.7).</p>	X			X							
5732.17	Contractors shall process participation elections and withdraws post-marked before January 1, 2008.	X			X							
5732.18	Contractors shall not print hardcopy participation directories (i.e., MEDPARDs) for CY 2008 without regional office prior authorization and advanced approved funding for this purpose. Supplemental budget requests (SBRs) for CY 2008 MEDPARD directories will not be approved.	X			X							
5732.19	If contractors receive inquiries from a customer who does not have access to the contractor Web site, they shall ascertain the nature and scope of each request and furnish the desired MEDPARD participation information via phone or letter.	X			X							
5732.20	Contractors shall load their local MEDPARD information for physicians, non-physician practitioners and suppliers on their Web site by the end of January.	X			X							
5732.21	Contractors shall notify providers via regularly scheduled newsletters as to the availability of the MEDPARD information and how to access it electronically.	X			X							

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B M A C	D M E M A C	F I	C A R R I E R	D M E R C	R H H I	Shared-System Maintainers				OTHER
								F I S S	M C S	V M S	C W F	
5732.22	Contractors shall also inform hospitals and other organizations (i.e., Social Security offices, area Administration on Aging offices, and other beneficiary advocacy organizations) how to access MEDPARD information on your Web site.	X			X							
5732.23	Contractors shall convert the Form CMS-460 into a document that allows the physician, practitioner, or supplier to enter all required information (except for the signature and effective date in item 2) before printing. Then, the physician, practitioner, or supplier will only have to print out the Form CMS-460, sign it, and mail it to the contractor.	X			X							
5732.24	Contractors shall protect all parts of the Form CMS-460 that do not require data entry from being altered. (The physician, practitioner, or supplier can only be allowed to enter their required information, and not change any other parts of the Form CMS-460).	X			X							
5732.25	Contractors shall continue to plug-in the January 1, (appropriate year), effective date in item 2 of the Form CMS-460 included in the CD-ROM mailing.	X			X							

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B M A C	D M E M A C	F I	C A R R I E R	D M E R C	R H H I	Shared-System Maintainers				OTHER
								F I S S	M C S	V M S	C W F	
5732.26	None. An MLN Matters Article related directly to this change request is not needed. Mailing the entire participation enrollment materials (except the fees) on the CD-ROM and posting of the MEDPARD information is considered provider education. Contractors shall follow the instructions regarding the dates for releasing/ mailing these materials that are contained in this Recurring Update Notification.	X			X							

IV. SUPPORTING INFORMATION

A. For any recommendations and supporting information associated with listed requirements, use the box below: N/A

Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

B. For all other recommendations and supporting information, use this space:

This Recurring Update Notification is dependent upon the release of the Physician Fee Schedule regulation.

2 Attachments: Participation Announcement and Blank Participation Agreement.

V. CONTACTS

Pre-Implementation Contact(s): April Billingsley, (410) 786-0140, april.billingsley@cms.hhs.gov

Post-Implementation Contact(s): Appropriate regional office.

VI. FUNDING

A. For Fiscal Intermediaries, Carriers, and the Durable Medical Equipment Regional Carrier (DMERC), use only one of the following statements:

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

B. For Medicare Administrative Contractors (MAC), use the following statement:

The contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the Statement of Work (SOW). The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the contracting officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the contracting officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.



Announcement

About Medicare Participation for Calendar Year 2008

Medicare continues to ensure that payment policies provide incentives to improve the quality of care. The Centers for Medicare & Medicaid Services (CMS) is building on changes established last year to pay more appropriately for practice expenses and to transform Medicare into an active purchaser of high quality services.

In 2008, we will make a number of changes to payments for specific services paid under the physician fee schedule, including increasing the work component of anesthesia services by 32 percent. We will also include new quality measures that were developed with input from the American Medical Association (AMA) Physician Consortium for Performance Improvement (physician measures), the Pennsylvania Quality Improvement Organization (QIO) (non-physician and structural measures), and the American Podiatric Medical Association. As required by the sustainable growth rate (SGR) formula specified in the Medicare statute, the estimated update to the physician fee schedule for 2008 is negative 9.9 percent. The negative update is required by law for 2008 because spending on physicians' services and other Part B services has been growing at a much faster rate than target spending.

Physician groups have been working hard to identify better ways for Medicare to pay – ways that better support physician efforts to provide higher-quality care without increasing overall health care costs. CMS will continue to work with Congress and with physician groups on a system that will provide predictable and stable payments that will ensure higher quality care for beneficiaries without increasing Medicare spending.

All physicians, practitioners and suppliers must make their calendar year (CY) 2008 Medicare participation decision by December 31, 2007. To sign a participation agreement is to agree to accept assignment for all covered services that you provide to Medicare patients in CY 2008. The majority of physicians, practitioners and suppliers have chosen to participate in Medicare. During CY 2007, 93.3 percent of all physicians, practitioners and suppliers are billing under Medicare participation agreements.

WHY PARTICIPATE?

If you bill for physicians' professional services, services and supplies provided incident to physicians' professional services, outpatient physical and occupational therapy services, diagnostic tests, or radiology services, your Medicare fee schedule amounts are 5 percent higher if you participate. Also, providers receive direct and timely reimbursement from Medicare.

Regardless of the Medicare Part B services for which you are billing, participants have "one stop" billing for beneficiaries who assign both their Medicare and Medigap payments to participants. Beneficiaries with Medigap coverage (private supplemental insurance) may assign the payment on the supplemental claim to the provider or supplier. Under the current mandatory Medigap (claim-based) crossover process, beneficiaries must assign payment on their claims to a participating provider or supplier as a condition for their claims to be forwarded to their Medigap insurer for payment of all coinsurance and deductible amounts due under the Medigap policy. The Medigap insurer, in turn, must pay the participating provider or supplier directly, thereby relieving the need of having to file a second claim.

WHAT TO DO

If you choose to be a participant in CY 2008:

- Do nothing if you are currently participating, or
- If you are not currently a Medicare participant, complete the blank agreement enclosed and mail it (or a copy) to each carrier to which you submit Part B claims. (On the form show the name(s) and identification number(s) under which you bill.)

If you decide not to participate in CY 2008:

- Do nothing if you are currently not participating, or
- If you are currently a participant, write to each carrier to which you submit claims, advising of your termination effective January 1, 2008. This written notice must be postmarked prior to January 1, 2008.

Hold onto this announcement during this enrollment period. You may want to refer to it again before making your decision regarding Medicare participation for CY 2008.

We hope you will decide to be a Medicare participant in CY 2008.

Please call _____ if you have any questions or need further information on participation.

To view updates and the latest information about Medicare, or to obtain telephone numbers of the various carrier contacts including the carrier medical directors, please visit the CMS web site at <http://www.cms.hhs.gov/>.

To view the calendar year 2008 Medicare Physician Fee Schedule and Anesthesia Conversion Factors, please visit your local carrier web site: (insert local carrier web site address).

For _____ (carrier name), you may contact the following toll-free number(s) for assistance:

MEDICARE
PARTICIPATING PHYSICIAN OR SUPPLIER AGREEMENT

Name(s) and Address of Participant*

**Physician or Supplier
Identification Code(s)***

The above named person or organization, called "the participant," hereby enters into an agreement with the Medicare program to accept assignment of the Medicare Part B payment for all services for which the participant is eligible to accept assignment under the Medicare law and regulations and which are furnished while this agreement is in effect.

1. Meaning of Assignment - For purposes of this agreement, accepting assignment of the Medicare Part B payment means requesting direct Part B payment from the Medicare program. Under an assignment, the approved charge, determined by the Medicare carrier, shall be the full charge for the service covered under Part B. The participant shall not collect from the beneficiary or other person or organization for covered services more than the applicable deductible and coinsurance.

2. Effective Date - If the participant files the agreement with any Medicare carrier during the enrollment period, the agreement becomes effective _____.

3. Term and Termination of Agreement - This agreement shall continue in effect through December 31 following the date the agreement becomes effective and shall be renewed automatically for each 12-month period January 1 through December 31 thereafter unless one of the following occurs:

a. During the enrollment period provided near the end of any calendar year, the participant notifies in writing every Medicare carrier with whom the participant has filed the agreement or a copy of the agreement that the participant wishes to terminate the agreement at the end of the current term. In the event such notification is mailed or delivered during the enrollment period provided near the end of any calendar year, the agreement shall end on December 31 of that year.

b. The Centers for Medicare & Medicaid Services may find, after notice to and opportunity for a hearing for the participant, that the participant has substantially failed to comply with the agreement. In the event such a finding is made, the Centers for Medicare & Medicaid Services will notify the participant in writing that the agreement will be terminated at a time designated in the notice. Civil and criminal penalties may also be imposed for violation of the agreement.

Signature of participant
(or authorized representative
of participating organization)

Title
(if signer is authorized
representative of organization)

Date

(including area code)
Office phone number

*List all names and identification codes under which the participant files claims with the carrier with whom this agreement is being filed.

Received by
(name of carrier)

Effective date

Initials of carrier official

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0373. The time required to complete this information collection is estimated to average 15 minutes per response, including the time to review instructions, search existing data resources, gather the data needed and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, N2-14-26, Baltimore, Maryland 21244-1850 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington D.C. 20503.