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| CMS Manual System | Department of Health & Human Services (DHHS) |
| Pub 100-04 Medicare Claims Processing | Centers for Medicare & Medicaid Services (CMS) |
| Transmittal 1832 | Date: October 16, 2009 |
| | Change Request 6637 |

NOTE: This Transmittal is no longer sensitive. The Transmittal Number and the date of Transmittal remain the same. All other information remains the same.

Subject: Calendar Year (CY) 2010 Participation Enrollment and Medicare Participating Physicians and Suppliers Directory (MEDPAR) Procedures

I. SUMMARY OF CHANGES: 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, an updated list of participating physicians, practitioners, and suppliers is then published by each contractor in their local MEDPAR on the contractor's web site. The attached Recurring Update Notification applies to Chapter 1, Section 30.3.12.

New / Revised Material

Effective Date: October 16, 2009. Note: The effective date is not the date of service for this instruction.

Implementation Date: November 9, 2009

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 | 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: 1832 | Date: October 16, 2009 | Change Request: 6637 |
|-------------|-------------------|------------------------|----------------------|

NOTE: This Transmittal is no longer sensitive. The Transmittal Number and the date of Transmittal remain the same. All other information remains the same.

SUBJECT: Calendar Year (CY) 2010 Participation Enrollment and Medicare Participating Physicians and Suppliers Directory (MEDPARD) Procedures

Effective Date: October 16, 2009

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

Implementation Date: November 9, 2009

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. Providers (physicians, practitioners, or suppliers) who want to maintain their current PAR status (PAR or non PAR) do not need to take any action in the upcoming annual participation enrollment program. 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, contractors 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 2010 will commence on November 13, 2009, and will run through December 31, 2009.

The purpose of this Recurring Update Notification is to furnish contractors with material needed for the CY 2010 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 no longer receive a Special Edition (SE) Medicare Learning Network (MLN) Matters article to include on the "Dear Doctor" CD. If you have not already passed the deadline with your vendors to have information placed on the CD, please have the following language added to the CD:

“We encourage you to visit the Medicare Learning Network (<http://www.cms.hhs.gov/MLNGenInfo/>)--the place for official CMS Medicare fee-for-service provider educational information. There you can find one of our most popular products, MLN Matters national provider education articles. These articles help you understand new or changed Medicare policy and how those changes affect you. A full array of other educational products (including web-based training courses, hard copy and downloadable publications, and CD-ROMs) are also available and can be accessed at: <http://www.cms.hhs.gov/MLNProducts/> You can also find other important physician websites by visiting the Physician Center webpage at: <http://www.cms.hhs.gov/center/physician.asp>”

If it is too late to have the above language included on your annual PARDOC CD, please be sure to post in on your website.

CMS will send all contractors 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 13, but the CDs should not be mailed before November 9.

The CMS plans to release the Medicare Physician Fee Schedule Database (MPFSDB) and the anesthesia conversion factors to contractors electronically in 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 | R H I | Shared-System Maintainers | | | | OTHER |
| | | | | | | | F I S S | M C S | V M S | C W F | |
| 6637.1 | 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 | | | | | | |
| 6637.2 | Contractors shall display the fee data prominently on their Web site. For CY 2010 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 | | | | | | |
| 6637.3 | For CY 2010 disclosure reports, contractors shall provide the anesthesia conversion factors on their Web site. | X | | | X | | | | | | |
| 6637.4 | Contractors shall display the fee schedule using a provider friendly format from which providers can download their particular locality. Providers should not have to download the whole fee schedule file. | X | | | X | | | | | | |
| 6637.5 | 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 | | | | | | |

| 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 | R H H I | Shared-System Maintainers | | | | OTHER |
| | | | | | | | F I S S | M C S | V M S | C W F | |
| 6637.6 | Effective immediately, contractors shall educate providers 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 CY 2010 physician fee schedule regulation is put on display. | X | | | X | | | | | | |
| 6637.7 | Contractors shall insert their Web site address for providers to use to access the CY 2010 payment rates in the space available at the end of the Participation Announcement sheet. | X | | | X | | | | | | |
| 6637.8 | 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 | | | | | | |
| 6637.9 | Contractors shall inform providers via their listserv when the CY 2010 fees are posted to their Web site. | X | | | X | | | | | | |
| 6637.10 | Contractors shall annotate the envelope containing the participation material with the following message: "Open Immediately. Package Contains 2010 Medicare Participation Information from the Centers for Medicare & Medicaid Services." NOTE: Contractors may use: "Open Immediately. Package Contains 2010 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 | | | | | | |
| 6637.11 | 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. NOTE: Contractors have the discretion to produce more than 2 percent hardcopy if needed. | X | | | X | | | | | | |
| 6637.12 | Contractors shall not charge providers requesting hard copy disclosures who do not have Internet access or do not have the capability to access the CD ROM. | X | | | X | | | | | | |
| 6637.13 | 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 13, 2009, but do not mail it before November 9, 2009. | X | | | X | | | | | | |
| 6637.14 | The MPFSDB will contain the CY 2010 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: "All Current Procedural Terminology (CPT) codes and descriptors are copyrighted 2009 by the American | 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 | R H H I | Shared-System Maintainers | | | | OTHER |
| | | | | | | | F I S S | M C S | V M S | C W F | |
| | <p>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> <p>See the Internet Only Manual (IOM) Pub. 100-04, chapter 1, section 30.3.12.1.</p> | | | | | | | | | | |
| 6637.15 | <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 | | | | | | |
| 6637.16 | Contractors shall process participation elections and withdraws post-marked before January 1, 2010. | X | | | X | | | | | | |
| 6637.17 | Contractors shall not print hardcopy participation directories (i.e., MEDPARDs) for CY 2010 without regional office prior authorization and advanced approved funding for this purpose. | X | | | X | | | | | | |
| 6637.18 | 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 | | | | | | |
| 6637.19 | Contractors shall load their local MEDPARD information for providers on their Web site within 30 days following the close of the annual participation enrollment process. | X | | | X | | | | | | |
| 6637.20 | Contractors shall notify providers via regularly scheduled newsletters as to the availability of the MEDPARD information and how to access it electronically. | X | | | X | | | | | | |
| 6637.21 | Contractors shall also inform hospitals and other organizations (i.e., Social Security offices, area Administration on Aging offices, and other beneficiary | 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 | R H H I | Shared-System Maintainers | | | | OTHER |
| | | | | | | | F I S S | M C S | V M S | C W F | |
| | advocacy organizations) how to access MEDPARD information on your Web site. | | | | | | | | | | |
| 6637.22 | Contractors shall convert the Form CMS-460 into a document that allows providers to enter all required information (except for the signature and effective date in item 2) before printing. Then, the provider will only have to print out the Form CMS-460, sign it, and mail it to the contractor. | X | | | X | | | | | | |
| 6637.23 | Contractors shall protect all parts of the Form CMS-460 that do not require data entry from being altered. (The provider can only be allowed to enter their required information, and not change any other parts of the Form CMS-460). | X | | | X | | | | | | |
| 6637.24 | 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 | | | | | | |
| 6637.25 | For any par changes submitted by providers who do <u>not</u> have an enrollment record in the Provider Enrollment, Chain and Ownership System (PECOS), contractors shall process the par request and send a Revalidation Letter directing the provider to complete the Medicare enrollment application (i.e., paper or Internet-based PECOS) within 60 days. | X | | | X | | | | | | |
| 6637.26 | Contractors shall refer to the IOM Pub. 100-04, chapter 1, section 30.3.12.1 for more information about what to include in the CD-ROM. | 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 | R H H I | Shared-System Maintainers | | | | OTHER |
| | | | | | | | F I S S | M C S | V M S | C W F | |
| 6637.27 | None. An MLN Matters Article related directly to this change request is <u>not</u> 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

Section 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: |
|---------------------------------|---|
| | |

Section B:

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

V. CONTACTS

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

Post-Implementation Contact(s): Appropriate Regional Offices and/or the appropriate project officer.

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs)*, *Regional Home Health Intermediaries (RHHIs)*, and/or *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.

2 Attachments: Participation Announcement and Blank Participation Agreement.



Announcement

About Medicare Participation for Calendar Year 2010

In 2010, we are implementing several provisions mandated by the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008 that impact payment under the MPFS including:

- pulmonary rehabilitation and intensive cardiac rehabilitation services;
- chronic kidney disease (CKD) education;
- teaching anesthesiologists' services; and
- phasing out the limitation for the copayment amount for outpatient mental health treatment services.

We are continuing our efforts to promote improvement in quality of care and patient outcomes through revisions to the Electronic Prescribing Incentive Program (e-Prescribing Program) and the Physician Quality Reporting Initiative (PQRI). Eligible professionals or group practices that meet the requirements of each program in calendar year (CY) 2010 will be eligible for incentive payments for each program equal to 2.0 percent of their total estimated allowed charges for the reporting periods.

Seasonal and H1N1 Influenza

We are encouraging all providers (physicians, practitioners, and suppliers) to continue monitoring the Centers for Disease Control and Prevention (CDC), CMS, and contractor websites for information about both seasonal influenza and novel H1N1 influenza. Specific provider information as to the latest clinical guidance is available at the CDC website at <http://www.cdc.gov/h1n1flu/> and www.flu.gov. Provider information related to the H1N1 influenza also may be found at www.cms.hhs.gov/H1N1.

WHY PARTICIPATE?

All physicians, practitioners and suppliers must make their CY 2010 Medicare participation decision by December 31, 2009. Providers who want to maintain their current PAR status (PAR or Non PAR) do not need to take any action during the upcoming annual participation enrollment program. To sign a participation agreement is to agree to accept assignment for all covered services that you provide to Medicare patients in CY 2010. The majority of physicians, practitioners and suppliers have chosen to participate in Medicare. During CY 2009, 95.4 percent of all physicians, practitioners and suppliers are billing under Medicare participation agreements.

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.

For Medigap crossovers, there are two possible processes that Medicare uses: an automatic process where the Medigap insurer sends information to Medicare on their covered members to trigger the crossing over of claims; and a provider-driven process, known as Medigap claim-based crossover, where the physician or supplier triggers the crossing over of claims to a Medigap insurer. With the latter process, the beneficiary must assign benefits to the physician or supplier as a condition of Medicare crossing the claim over.

WHAT TO DO

If you choose to be a participant in CY 2010:

- 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 Medicare contractor 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 2010:

- Do nothing if you are currently not participating, or
- If you are currently a participant, write to each Medicare contractor to which you submit claims, advising of your termination effective January 1, 2010. This written notice must be postmarked prior to January 1, 2010.

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 2010.

We hope you will decide to be a Medicare participant in CY 2010.

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 Medicare contractors contacts including the contractor medical directors, please visit the CMS web site at <http://www.cms.hhs.gov/>.

To view the calendar year 2010 Medicare Physician Fee Schedule and Anesthesia Conversion Factors, please visit your local Medicare contractor web site: (insert local Medicare contractor web site address).

For _____ (Medicare contractor 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.