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NEWS FLASH	Do you have your NPI? National Provider Identifiers (NPIs) will be required on claims sent on or after May 23, 2007. Every health care provider needs to get an NPI. Learn more about the NPI and how to apply for an NPI by visiting http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/NationalProvIdentStand/index.html on the CMS website.

MLN Matters Number: MM5448 | Related Change Request (CR) #: 5448

Related CR Release Date: December 15, 2006 | Effective Date: January 1, 2007

Related CR Transmittal #: R1131CP | Implementation Date: January 2, 2007

Legislative Change to the Update Factor for the 2007 Medicare Physician Fee Schedule (MPFS) and Extension of the Participating Enrollment Period

Note: This article was updated on June 5, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Physicians and providers submitting claims to Medicare contractors (carriers, Fiscal Intermediaries (FIs), including regional home health intermediaries (RHHIs), and Part A/B Medicare Administrative Contractors (A/B MACs)) for services provided to Medicare beneficiaries, which are paid based on the MPFS.

What You Need to Know

This article is based on Change Request (CR) 5448. The Tax Relief and Health Care Act of 2006 changes the update to the 2007 conversion factor for services paid under the MPFS, and this change is effective for services provided on or after January 1, 2007.

The Tax Relief and Health Care Act of 2006 set the 2007 conversion factor for physician payment at the same level as in 2006 ($37.8975), reversing the statutorily mandated 5.0 percent negative update. However, it does not maintain 2007 physician payments at 2006 levels. There are a number of other factors that affect payment rates for 2007.

Other changes adopted in the physician fee schedule final rule that affect 2007 payment rates include changes in the practice expense RVU-setting methodology, refinements to the practice expense RVUs, re-weighting of geographic adjustment factors, limits on payments for imaging services required by the Deficit Reduction Act, and other annual refinements including coding changes.

Both the Centers for Medicare & Medicaid Services (CMS) and your local Medicare contractor will display the resulting new fees on its Web site no later than December 31, 2006. (Carriers' Web sites will display the new fees including the PAR/NONPAR, and limiting charge rates.) The revised fees under the 2007 MPFS will be effective for services provided on or after January 1, 2007.

The change to the 2007 MPFS will also result in an extension of the participation enrollment period to February 14, 2007. Therefore, the participation enrollment period runs from November 15, 2006, through February 14, 2007. The effective date for any participation change is January 1, 2007.

Physicians who wish to sign an agreement and become Participating (Par) physicians can access the Par Agreement (CMS-460 form) from the CD which was mailed to all physicians last November. Physicians can also request the CMS-460 form from their local Medicare contractor. Existing Par physicians who no longer wish to be Par must notify their Medicare contractor in writing of their decision to terminate their Par agreement. Physicians who change their Par status during the extension period should begin to submit claims based on their new Par status.

Background

Based on the new Tax Relief and Health Care Act of 2006, Change Request 5448 emphasizes the following:

1) Change to the 2007 MPFS rates;
2) Capability of Medicare contractors to begin processing claims for services paid under the MPFS with the new fees beginning January 2, 2007; and
3) Extension of the participation enrollment period to February 14, 2007.

The implementation date of this instruction is January 2, 2007.

Note: Services not paid under the MPFS (e.g., Durable Medical Equipment (DME), clinical lab, etc) are not impacted by this instruction, and claims containing those services will also be processed beginning January 2, 2007.

In addition, Medicare contractors will:

- Have hard copies of the new 2007 MPFS to mail to those physicians/practitioners that do not have ready Internet access and request a copy;
- Not charge providers requesting hard copy 2007 MPFS who do NOT have ready Internet access;
- Charge a reasonable fee for mailing hard copies of the 2007 MPFS to providers who do have ready Internet access but want a hard copy for convenience;
- Accept any participation changes made during the extended enrollment period that are received or post-marked by February 14, 2007. All participation changes are effective January 1, 2007; and
- Load their updated local Medicare Participating Physician/Supplier Directories (MEDPARDs) to their Web sites within 30 days following the close of the extended enrollment period.

Additional Information

For complete details, please see the official instruction, CR5448, issued to your carrier, FI, RHHI, or A/B MAC regarding this change. That instruction may be viewed at http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1131CP.pdf on the CMS website.

If you have any questions, please contact your Medicare carrier, FI, RHHI, or A/B MAC at their toll-free number, which may be found on the CMS web site at http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html on the CMS website.

Flu Shot Reminder As a respected source of health care information, patients trust their doctors' recommendations. If you have Medicare patients who haven't yet received their flu shot, help protect them by recommending an annual influenza and a one time pneumococcal vaccination. Medicare provides coverage for flu and pneumococcal vaccines and their administration. – And don't forget to immunize yourself and your staff. **Protect yourself, your patients, and your family and friends.** Get Your Flu Shot. Remember - Influenza vaccination is a covered Part B benefit. Note that influenza vaccine is NOT a Part D covered drug. For more information about Medicare's coverage of adult immunizations and educational resources, go to CMS's website: http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/SE0667.pdf on the CMS website..