

CLIENT ALERT



Medical Management Strategies, 3000 Broad Street, Suite B217, San Luis Obispo, CA 93401

June 25, 2010

Certification Information

Medicare Reimbursement Update

President Obama signed the law today, June 25, the new rates for Medicare through November 30, 2010. This law reverses the 21% decrease and increases the reimbursement by 2.2%. Palmetto has been ordered to temporarily hold claims until the new payment system is in place. They expect to begin releasing payments again on July 1, 2010.

Federal Medi-Cal audits will begin in August

The audits are part of the federal Payment Error Rate Measurement Program and are mandated by the Improper Payments Information Act of 2002. 500 Medi-Cal claims will be selected or approximately 130 per quarter. Claims will have dates of service 10/1/2009 through 9/30/2010. Providers whose claims are selected will receive a written request for medical records.

Providers are urged to comply with the request. Failure to submit requested records will result in an error counted against California and you will be required to refund the claim payment amount to DHCS. Your cooperation will help ensure the audit results are accurate and that California retains its much-needed federal matching monies for the Medi-Cal program. (from CMA Alert June 1, 2010)

TriCare Reimbursement Update

TriCare is bound by law to the same reimbursement rules as Medicare for similar services. However, until Congress finalizes the reimbursement issue, TriCare has announced they do not anticipate any changes. Once new Medicare rates are determined, it will take TriCare 30 – 60 days to update their claims payment system.

June 27th deadline for posting Medical License and Board

Providers are required to post in a prominent location a notice that informs your patients that they are licensed by the medical Board of California and include the board's contact information. The notice must contain the following information:

Notice to Consumers

Medical doctors are licensed and regulated by the Medical Board of California (800) 633-2322

www.mbc.ca.gov

The Medical Board says the purpose of this new requirement is to inform consumers where to go for information or with a complaint about California medical doctors.

HAPPY JULY 4TH



CenCal requires NDC# on claims

After May 1, claims missing an NDC# will be denied for payment with the denial code "A5" – **Denied: NDC Number missing or invalid.**

Information on properly reporting NDC numbers is available at the Medi-Cal Website:

www.medi-cal.ca.gov.

Consult Code Update

The following health plans have announced they will no longer recognize consult codes following the Medicare guidelines: Aetna, Health Net, and United

Healthcare/PacifiCare.

CenCal has announced that Healthy Families, Healthy Kids, PP2 and IHSS programs will no longer recognize consult codes. However, Medi-Cal (CenCal) will continue to reimburse consult codes for now.

This month Humana announced that CIGNA will exclusively market their Group Medicare Advantage Products. Members will be identified as Humana Medicare Advantage members. This alliance between Cigna and Humana will make the product available July 1, 2010 and brings significant growth in membership.

Humana announces Medicare Advantage Marketing Change
Anthem sends out an Amendment to your Prudent Buyer Agreement

Participating providers should have received their amendment package from Anthem. You should be sure you review the information and check to see if a response and your signature is required on the Amendment. The MMS contracting department has reviewed the amendment and here are some bullet points for your consideration:

- A Medicare Advantage PPO Program is being added. This program includes the existing Freedom Blue PPO Plan. This allows Anthem to develop other Medicare Advantage Program besides the Freedom Blue Plan.
- Providers had previously been sent an option to participate in the Anthem Worker's Compensation program. This amendment states that if a provider opts-out of worker's compensation, changing their mind about participation doesn't mean they will automatically reinstated.
- Future contract notices must be in writing, and may be delivered electronically, by fax, hand delivered or sent through the mail. Notices will no longer be sent certified, return receipt requested.

This amendment becomes effective August 23, 2010. If you have questions about your amendment, please feel free to contact the MMS contracting department.

PECOS ENROLLMENT DEADLINE NOW JULY 6, 2010

Last month Medicare changed the deadline from January 1, 2011 to July 6, 2010. As you know, providers who are not enrolled in the PECOS system and order or refer Medicare patients will receive a denial as non-participating. To find out if you and other providers who refer to your practice are enrolled in PECOS you can access the complete list at <http://www.cms.gov/MedicareProviderSupEnroll/> and click on the "OrderReferringReport" on the left hand side. This is a very large document and has providers arranged by last name. If you need assistance please contact your MMS Contracting Dept representative. If you find that providers who regularly refer to you aren't on the list, call them first to see if they got into PECOS recently and haven't been added to the list yet. If they aren't in PECOS, as them when they expect to enroll; you can keep seeing their patients and hold claims until they are in PECOS, subject to CMS's new 12-month timely claims filing deadline.

Please go to Bob's Blog at www.bobsayers.com for the latest information on the status of Medicare Payments and other important information.

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