



**PRESENTS:**

# Reimbursement Issues 2008

March 26, 2008

Manatee Memorial Hospital



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# Reimbursement Issues 2008



## Objectives:

- Medicare Physician Fee Schedule (Part B) Changes
- Private Payor Reimbursement and Policy Changes

# 2008 Reimbursement Issues

- Medicare Physician Fee Schedule (Part B) Changes





# Conversion Factor (CF)

February 1, 2008:

- Effective for claims with dates of service January 1, 2008, through June 30, 2008, the update to the conversion factor is 0.5%.
- CF from \$37.8975 to \$38.0870



# Conversion Factor (CF)

- Effective for claims with dates of service July 1, 2008 and after, will revert back to the previous payment methodology (the -10.1% update) that was outlined in the Final Rule, published in the Federal Register on November 27, 2007.
- Back to \$34.0682



# Budget Neutrality Provision

- Medicare Law requires a budget neutral adjustment if RVU changes result in outlays of more than \$20 million.

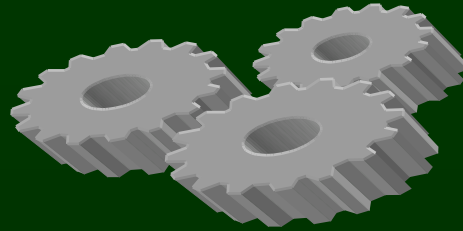


# Work RVUs

- Represent more than 50% of overall Medicare payments under the Physician Fee Schedule
- The physician work component necessary to complete a service



# Work RVUs



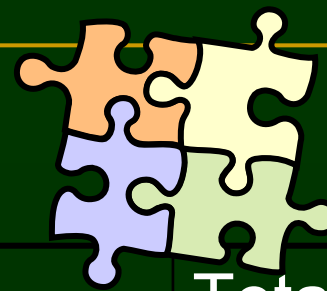
- By Regulation are reviewed every 5 years by the RUC (Relative-value scale Update Committee)
- Anesthesia Services receiving 32% wRVU increases
- 2007 \$18.19 per unit
- 2008 \$20.59 per unit with increases

# Budget Neutrality Provision

- Due to wRVU increases, CMS is applying a Budget Neutrality (BN) factor to wRVU
- Result is an additional 12% decrease in wRVU



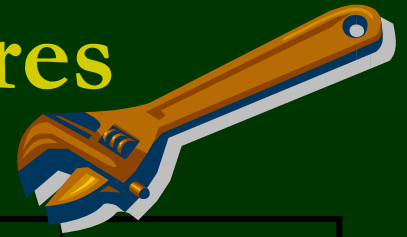
# Combined Impact



Specialty	Work & PE RVUs	CF Update	Total Impact
Cardiology	-2%	-10.1%	-12%
Gastro	-0%	-10.1%	-10%
Pulmonary	-1%	-10.1%	-11%
Neurosurgery	-2%	-10.1%	-12%
Ortho Surg	-2%	-10.1%	-12%
Radiology	-0%	-10.1%	-10%
IDTF	-0%	-10.1%	-10%

# Impact on Specific Procedures

July 1, 2008



Code	Description	2007	1/2008	7/2008
27130	Hip Arthroplasty	1342.96	1371.37	1226.67
27447	Knee Arthroplasty	1445.77	1473.28	1317.83
33533	CABG	1883.59	1904.92	1703.92
35301	Rechanel artery	1060.13	1076.88	963.25
43239	Upper GI Endoscopy	151.32	157.73	141.09
71010	Chest X-ray	25.06	24.93	22.30
77056	Mammo, dx bilateral	93.57	101.94	91.19
77057	Mammo, screening	78.70	81.39	72.80
78465 -26	Heart Image, 3-D	70.89	73.74	65.96

# Impact on Specific Procedures

July 1, 2008



Code	Description	2007	1/2008	7/2008
93000	EKG, complete	23.63	22.40	20.04
93015	Cardio Stress Test	100.51	102.31	91.52
93510	Left Heart Cath		1493.63	1336.03
99203	Office Visit, new	88.97	90.02	80.52
99213	Office Visit, est	57.21	58.60	52.42
99214	Office Visit, est	86.82	88.27	78.96
99243	Office Consult	118.50	121.27	108.48
99244	Office Consult	173.86	177.48	158.75
95810	Polysomnography	767.04	779.63	697.37

# WHAT TO DO ABOUT MEDICARE!!!!



- **CALL AMA 1-800-833-6354  
option 1**
- **Enter Zip Code to be patched  
through to your senators**

# 2008 Reimbursement Issues

- NPI Only on Medicare Claims
- May 23, 2008



# 2008 Reimbursement Issues

Based on Medicare:

- Blue Cross
- CIGNA
- United
- Aetna



# 2008 Reimbursement Issues

## Blue Cross

- Updated Fee Schedules July and August 2007
- Also updated contracts, exclusions

## CIGNA

- Going to fees based on 2007 RBRVS in April 2008



# 2008 Reimbursement Issues

United

- Updated Fee Schedules  
June 2007

Aetna

- Based on 2007 RBRVS



- Other Payment and Policy Changes



# Imaging Accreditation



- UHC, CIGNA and other payors have begun requiring accreditation for:
  - CT, CTA, MRI, MRA, PET
  - Nuclear Medicine/Cardiology
  - Echocardiography
- Accredited from either American College of Radiology (ACR) or Intersocietal Accreditation Commission (IAC)
- Unaccredited providers will not be paid

# Imaging



- Possibility for Competitive Bidding and regional/national contracts
- Block lease accreditation issue

# Independent Diagnostic Testing Facility



New Medicare Regulations effective January 1, 2008/2009:

- No sharing of “space, equipment or staff, or sublease its operations to another individual or organization.”
- Radiologists and Radiology Groups are not excluded

# Imaging



- UHC will begin paying LOCM in 2008
- Medicare should be paying all contrast and supplies that are paid in the outpatient hospital setting due to DRA methodology

## 2008 Reimbursement Issues



### TIPS:

- Beware of UCR on contracts and for out of network payments.
- Read contracts carefully
- Be clear on all addendums before having the physician sign.

## 2008 Reimbursement Issues

Items:

- Timely Filing
- Refund timeframes
- Scheduling limits
- Ancillary service restrictions
- Board Certification/Licensure (techs)
- Insurance Requirements
- Charging Patients
- Referrals
- Required Services (Immunizations, etc.)



# Reimbursement Issues 2008

**The KEY:**



- **Reimbursement Analysis and Contract Negotiation**

# Other Private Payor News

- Did you know??? Effective November 1, 2007 Health Options will not deny claims from participating hospitals and providers for not obtaining an authorization. Instead, Health options will apply a 20 percent penalty, up to maximum of \$500.
- Cigna will cover colo-rectal cancer screening for members, ages 50-64 with no history of colorectal cancer.

# Other Private Payor News

- Effective January 28, 2008 BC/BS of Florida will not require medical review of certain reconstructive services when performed as a result of a mastectomy (for dx of breast cancer)
- BC/BS will not reimburse 97140 when billed the same day as 98940-98943 and 98925-98929 (OMT), since this is an overlap of services.

# Other Private Payor News

- UHC has added V28.3 and V28.4 (screening for malformation and screening for fetal growth retardation) as covered dx. for obstetrical ultrasounds.
- UHC will be adding 760.5 and 646.83 (maternal injury and complications of pregnancy) later this year.

# Thank You For Attending



*For Further Assistance Contact:*

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