

Changes to Medicare Enrollment Rules

Despite much opposition from the American Medical Association (AMA) and the Medical Group Management Association (MGMA), the 2009 Medicare Physician Fee Schedule's restrictions on physician Medicare enrollment and retroactive billing went into effect on April 1, 2009. Although the AMA and MGMA were successful in delaying the initial roll-out date of January 1, 2009, they were unable to halt implementation of the new requirements altogether.¹

Prior to the 2009 Physician Fee Schedule, physicians had a 27 month window in which they could retroactively bill for services provided before the physician received a billing ID from Medicare.² New regulations have truncated the window to 30 days. The billing window is counted back from the later of: (1) the filing date of the provider's (approved) application; or, (2) the date when the physician began providing services at the specific practice location.³ The shortened billing window could significantly impact practice revenues as providers often begin providing services before all Medicare paperwork is complete.⁴

Additionally, the 2009 Physician Fee Schedule requires physicians who change their practice address or practice ownership to notify the Centers for Medicare and Medicaid Services (CMS) within 30 days. Failure to do so may result in expulsion from the Medicare program for at least one year, and up to two years.⁵

Both the AMA and MGMA strongly opposed these changes, stating that they would significantly impact provider revenue and further strain physician-CMS relations. In a letter to CMS, the AMA called for a moratorium on Medicare enrollment and retroactive billing changes. The AMA stated that most physicians operate small practices and rely heavily on revenue from the Medicare program. Further, the AMA argued that problems in CMS' transition to the National Provider Identifier (NPI) program have created inefficiencies in the enrollment process (e.g., some physicians have waited as long as 180 days to receive enrollment certification). The NPI process necessitated that many physicians re-enroll as a Medicare provider, with only a 30-day window to retroactively bill CMS. Moreover, given the current state of the economy, physicians have reported trouble accessing revolving loans to cover costs while they wait for enrollment applications to be

processed. The AMA additionally stated that the reduced thirty-day window places an undue financial hardship on physicians.⁶

CMS has stated that the reduced window is not intended to penalize physicians, but rather to reduce inefficiencies in the system and limit providers who bill for services when they have not yet met all of Medicare's enrollment requirements. Further, CMS has stated that it does not intend to target practices that act in "good faith." Rather, CMS will revoke privileges if they are on-site and notice practice location or ownership violations. Further, CMS has stated that it has instructed contractor to deny, rather than reject, incomplete applications so that physicians can request corrective action within 30 days, thereby preserving the initial filing date.⁷

In response to the shortened window, the AMA and MGMA have partnered together to create an online toolkit for providers that will assist them in understanding the new changes to the Medicare enrollment process.⁸

¹ "Doctors face risk of harsh penalties from new Medicare enrollment rules," By Chris Silva, American Medical Association, AMNews, April 20, 2009, <http://www.ama-assn.org/amednews/2009/04/20/gv110420.htm> (Accessed 5/1/09)

² 73 Fed Reg. No. 224, 69766

³ "Changes to the Medicare Enrollment and Billing Process," Medical Group Management Association, 2009, <http://www.ama-assn.org/ama/no-index/legislation-advocacy/medicare-enrollment-process.shtml> (Accessed 5/01/09);

⁴ "CMS Announces Major Changes in Medicare Provider Enrollment Policies," MGMA Washington Connexion, April 4, 2009, <http://mgma.com/article.aspx?id=28102> (Accessed 5/1/09); "Doctors face risk of harsh penalties from new Medicare enrollment rules," By Chris Silva, American Medical Association, AMNews, April 20, 2009, <http://www.ama-assn.org/amednews/2009/04/20/gv110420.htm> (Accessed 5/1/09)

⁵ "Changes to the Medicare Enrollment and Billing Process," Medical Group Management Association, 2009, <http://www.ama-assn.org/ama/no-index/legislation-advocacy/medicare-enrollment-process.shtml> (Accessed 5/01/09); "Doctors face risk of harsh penalties from new Medicare enrollment rules," By Chris Silva, American Medical Association, AMNews, April 20, 2009, <http://www.ama-assn.org/amednews/2009/04/20/gv110420.htm> (Accessed 5/1/09)

⁶ "Letter to CMS; Re: Medicare Program Payment Policies Under the Physician Fee Schedule and Other Revisions for Part B for CY 2009," American Medical Association, pp. 7-15, December 29, 2008, <http://www.ama-assn.org/ama1/pub/upload/mm/399/administration-enrollment-letter-dec2008.pdf> (Accessed 5/1/09)

⁷ "Doctors face risk of harsh penalties from new Medicare enrollment rules," By Chris Silva, American Medical Association, AMNews,

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April 20, 2009, <http://www.ama-assn.org/amednews/2009/04/20/gv110420.htm> (Accessed 5/1/09);
“Letter to CMS; Re: Medicare Program Payment Policies Under the Physician Fee Schedule and Other Revisions for Part B for CY 2009,” American Medical Association, pp. 7-15, December 29, 2008,

<http://www.ama-assn.org/ama1/pub/upload/mm/399/administration-enrollment-letter-dec2008.pdf> (Accessed 5/1/09)
⁸ “AMA and MGMA Partner to Help Members with Medicare Enrollment,” Medical Group Management Association, www.mgma.com/press/article.aspx?id=28214



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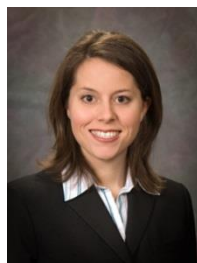
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