

ALERT

NEWS AND UPDATES FROM LBA

April 2007

WE'RE MOVING!

LBA Healthcare Consulting Services, LLC will be moving into our new building, along with LBA Certified Accountants, PA and LBA Retirement Planning Services, LLC, at the end of this month. The new physical address is:

LBA Healthcare Consulting Services, LLC
501 Riverside Ave
Ste. 800
Jacksonville, FL 32202

*** Contact numbers and email addresses will remain the same.*

N.P.I NUMBERS

The NPI final rule is clear: May 23, 2007 is the final deadline for covered entities, other than small plans, to comply with HIPAA's NPI provisions. After that date, covered entities, including health plans (other than small health plans), may not conduct noncompliant transactions. With the May 2007 deadline just ahead, HHS has received a number of inquiries expressing concern over the health care industry's state of readiness. In response, the Department believes it is particularly important to outline its approach to enforcement of HIPAA's NPI provisions. The Department will continue to provide technical assistance to the industry and issue guidance on the NPI provisions and compliance requirements. For a 12 month period after the compliance date, CMS will not impose penalties on covered entities that deploy contingency plans.

Source: CMS Update-Guidance on Compliance with the HIPAA National Provider Identifier- after the May 23, 2007 Implementation Deadline.

Contingency Guidance for those who do not have an NPI is available at:

http://www.cms.hhs.gov/NationalProvIdentStand/Downloads/NPI_Contingency.pdf



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ALERT

UPDATES FROM MEDICARE

To stay on the cutting-edge with CMS and First Coast Service Options, Inc. we encourage you to sign up for their free *eNews Electronic Mailing List*. To do so, please visit <http://www.floridamedicare.com> and click on the "eNews" link located on the navigational menu; follow the prompts and you're all set!

The latest update released from Medicare and available on their [website](#), is jam-packed with information. The following section of information is a breakdown and synopsis from LBA Healthcare of what we feel is most notable and what all providers should pay attention to.

- I. **Fee Schedule Changes** – Please visit the [Medicare B Update! Special Issue](#) for CPT Code Pricing replacement pages for 2007 coverage.
- II. **Payment Cap for Technical Components of Imaging Services – AMENDED :**
 - a. Effective January 1, 2007, payment for the TC of imaging services including the TC portion of the global imaging service will be capped passed on the outpatient prospective payment system (OPPS).¹
 - i. Providers will have to determine payment amounts by comparing the MPFS/carrier-priced amount to the cap amount in this instruction for the TC and global portion of imaging services. *The lower amount will be paid.*
- III. **Claims:**
 - a. CMS-1500 Form
 - i. As of **April 2nd** – ONLY the CMS-1500 (08-05) can be used; any other version of the form will be rejected by Medicare.
- IV. **Pathology/Laboratory:**
 - a. CLIA Lab Test & Reimbursements
 - i. HCPCS codes that CMS considers laboratory tests under CLIA *change each year!* Please make sure that your billing staff is aware of CLIA-related HCPCS changes for 2007, and that you remain current with certification requirements. *Failure to do so will impact your Medicare payments.*²
- V. **NEW LCD – State of Florida Medicare:**
 - a. **99324:** E&M Home and Domiciliary Visits
 - i. Effective Date: April 30, 2007
- VI. **"Medifest 2007"**
 - a. Educational resource offered by Medicare
 - b. May 15-17, 2007
 - c. Marriott Tampa Westshore
 - d. For reservations and/or directions, please call **(813) 287-2555**

¹ "The FCSO Medicare B Update! Special Issue," March 2007, p. 2.

² "The FCSO Medicare B Update!," March 2007, p. 2.

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VII. 835 Electronic Remittance Advice & TRICARE Crossover Claims³

- a. 835 ERAs for claims processed on or after January 2, 2007, associated with TRICARE crossover claims were missing remark code MA 18.
- b. Medicare has taken care of & verified crossover claims – *Do not send paper RA to TRICARE.*
- c. Coding correction has been made in Medicare's system – *However, this only applies to claims received on or after February 5, 2007.*

Some Billing Information to be Aware of:

- Effective on or after January 1, 2007, Medicare requires:
 - A 25% beneficiary coinsurance for colorectal cancer screening flexible sigmoidoscopies, and colonoscopies performed in the outpatient departments of non-OPPS hospitals.
 - A 25% beneficiary coinsurance for colorectal cancer screening colonoscopies performed in ASCs.

- Timely Claim Filing Guidelines:

Dates of Service

October 1, 2005 – September 30, 2006

October 1, 2006 – September 30, 2007

October 1, 2007 – September 30, 2008

Last Filing Date

by December 31, 2007

by December 31, 2008

by December 31, 2009

- Conversion Factor (CF) for 2007 = \$37.8975

- Medicare Physician Fee Schedule Payment Rates Formula:

$$[(Work\ RVU \times Budget\ neutrality\ adjustor\ (0.8994)^* \times Work\ GPCI) + (PE\ RVU \times PE\ GPCI) + (MP\ RVU \times MP\ CPC)] \times CF$$

* round the product of the two factors to two decimal places

³ CMS Provider Education Resource 200702-06.

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YOUR LBA TEAM

If you have questions related to the information contained within this Alert, please contact any of your LBA Healthcare Consultants.



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