

**12-19-2011 -- Attention Health Professionals: *Information Regarding the Holding of 2012 Date-of-Service Claims for Services Paid Under the 2012 Medicare Physician Fee Schedule***

The negative update under current law for the 2012 Medicare Physician Fee Schedule is scheduled to take effect on January 1, 2012, eight business days from today. Consequently, as on numerous occasions in the past, the Centers for Medicare & Medicaid Services (CMS) will instruct its Medicare claims administration contractors to hold claims containing 2012 services paid under the Medicare Physician Fee Schedule for the first 10 business days of January (i.e., January 1, 2012, through January 17, 2012). The hold should have minimal impact on provider cash flow because, under current law, clean electronic claims are not paid sooner than 14 calendar days (29 days for paper claims) after the date of receipt.

Medicare Physician Fee Schedule claims for services rendered on or before December 31, 2011, are unaffected by the 2012 claims hold and will be processed and paid under normal procedures and time frames.

The Administration is disappointed that Congress has failed to pass a solution to eliminate the sustainable growth rate (SGR) formula-driven cuts, and has put payments for health care for Medicare beneficiaries at risk. We continue to urge Congress to take action to ensure these cuts do not take effect.

CMS will notify you on or before January 11, 2012, with more information about the status of Congressional action to avert the negative update and next steps regarding the claims hold.