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## Reprocessing Claims Affected by the Affordable Care Act and 2010 Medicare Physician Fee Schedule Changes

**This message is for physicians, other practitioners, ambulance suppliers, inpatient/outpatient hospitals, long term care hospitals, inpatient rehabilitation facilities, home health agencies, and any other provider type affected by the post-effective date implementation of select provisions of the Affordable Care Act and the 2010 Medicare physician fee schedule.**

On March 23, 2010, President Obama signed into law the Affordable Care Act. Various provisions of the new law were effective April 1, 2010, or earlier and, therefore, were implemented some time after their effective date. In addition, corrections to the 2010 Medicare Physician Fee Schedule (MPFS) were implemented at the same time as the Affordable Care Act revisions to the MPFS, with an effective date retroactive to January 1, 2010.

Due to the retroactive effective dates of these provisions and the MPFS corrections, a large volume of Medicare fee-for-service claims will be reprocessed. Given this large workload, the Centers for Medicare & Medicaid Services (CMS) is taking steps to ensure that new claims coming into the Medicare program are processed timely and accurately, even as the retroactive adjustments are being made. CMS *will begin* to reprocess these claims over the next several weeks. We expect that this reprocessing effort will take some time and will vary depending upon the claim-type, the volume, and each individual Medicare claims administration contractor.

In the majority of cases, you will not have to request adjustments because your Medicare claims administration contractor will automatically reprocess your claims. Please do not resubmit claims because they will be denied as duplicate claims and slow the retroactive adjustment process. However, any claim that contains services with submitted charges lower than the revised 2010 fee schedule amount (MPFS and ambulance fee schedule) cannot be automatically reprocessed at the higher rates. In such cases, you will need to request a manual reopening/adjustment from your Medicare contractor. While there is normally a one-year time limit for physicians and other providers and suppliers to request the reopening of claims, we believe that these circumstances fall under the "good cause" criteria described in the Claims Processing Manual, Publication 100-04, Chapter 34, Section 10.11 (<http://www.cms.gov/manuals/downloads/clm104c34.pdf>). CMS is, therefore, extending the time period to request adjustment of these claims, as necessary.

Medicare claims administration contractors will follow the normal process for handling any applicable underpayments or overpayments that occur while reprocessing your claims. Underpayments will be included in your next regularly scheduled remittance after the adjustment. Overpayments resulting from institutional provider (e.g., hospitals, inpatient rehabilitation facilities, etc.) claim adjustments will be offset immediately, regardless of the amount, unless there are insufficient funds to make the offset. When these overpayments cannot be offset, the amounts will accumulate until a \$25 threshold is reached. At that time, a demand letter will be sent to the institutional provider. When a claim adjustment for a non-institutional provider (e.g., physician, other practitioner, supplier, etc.) results in an overpayment, the Medicare contractor will send a request for repayment. If this overpayment is less than \$10, your contractor will not request repayment until the total amount owed accrues to at least \$10. See the Financial Management Manual, Publication 100-06, Chapter 4, Section 70.16 or Section 90.2 (<http://www.cms.gov/manuals/downloads/fin106c04.pdf>) for more information.

The CMS wants to remind physicians, practitioners, suppliers, and other providers, impacted by the retroactive increases in payment rates for claims affected by the Affordable Care Act and 2010 MPFS changes, of the Office of Inspector General policy related to waiving beneficiary cost-sharing amounts attributable to retroactive increases in payment rates resulting from the operation of new Federal statutes or regulations. The policy may be found at the following link:

[http://oig.hhs.gov/fraud/docs/alertsandbulletins/Retroactive\\_Beneficiary\\_Cost-Sharing\\_Liability.pdf](http://oig.hhs.gov/fraud/docs/alertsandbulletins/Retroactive_Beneficiary_Cost-Sharing_Liability.pdf)

Please contact your Medicare claims administration contractor with any questions about this information.

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**February Flu Shot Reminder**

**It's Not too Late to Give and Get the Flu Vaccine.** Take advantage of each office visit and continue to protect your patients against the seasonal flu. Medicare will continue to pay for the seasonal flu vaccine and its administration for all Medicare beneficiaries through the entire flu season. The Centers for Disease Control and Prevention (CDC) recommends that patients, health care workers and caregivers be vaccinated against the seasonal flu. Protect your patients. Protect your family. Protect yourself. **Get Your Flu Vaccine - Not the Flu.**

**Remember** – Influenza vaccine plus its administration are covered Part B benefits. Note that influenza vaccine is NOT a Part D covered drug. For information about Medicare's coverage of the influenza vaccine and its administration, as well as related educational resources for health care professionals and their staff, please visit the following CMS websites: [http://www.cms.gov/MLNProducts/Downloads/Flu\\_Products.pdf](http://www.cms.gov/MLNProducts/Downloads/Flu_Products.pdf) and <http://www.cms.gov/AdultImmunizations>.

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**Note: If you have problems accessing any hyperlink in this message, please copy and paste the URL into your Internet browser.**

**Please DO NOT respond to this email.** This email is a service of CMS and routed through an electronic mail server to communicate Medicare policy and operational changes and/or updates. Responses to this email are not routed to CMS personnel. Inquiries may be sent by going to (<http://www.cms.hhs.gov/ContactCMS>). Thank you.

If you received this message as part of the All FFS Providers listserv, you are currently subscribed to one of eighteen Medicare Fee-For-Service (FFS) provider listservs. If you would like to be removed from all NIH listservs, please go to ([https://list.nih.gov/LISTSERV\\_WEB/signoff.htm](https://list.nih.gov/LISTSERV_WEB/signoff.htm)) to unsubscribe. If you would like to unsubscribe from a specific provider listserv, please go to ([https://list.nih.gov/cgi-bin/show\\_list\\_archives](https://list.nih.gov/cgi-bin/show_list_archives)) to unsubscribe or to leave the appropriate listserv.

If you know someone who would like to subscribe to a FFS provider listserv, go to ([http://www.cms.hhs.gov/prospmedicarefeesvcpmtgen/downloads/Provider\\_Listservs.pdf](http://www.cms.hhs.gov/prospmedicarefeesvcpmtgen/downloads/Provider_Listservs.pdf)).