

Medicare News

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Medicare Improves Access to Preventive Services for 2011

New Physician Payment Policies Emphasize Role of Primary Care

The Centers for Medicare & Medicaid Services (CMS) issued a final rule with comment period that will implement key provisions in the Affordable Care Act of 2010 that expand preventive services for Medicare beneficiaries, improve payments for primary care services, and promote access to health care services in rural areas. The new policies will apply to payments under the Medicare Physician Fee Schedule (MPFS) for services furnished on or after January 1, 2011.

“The rule we are issuing today is a major step toward improving the health status of Medicare beneficiaries by providing coverage for an annual wellness visit that will allow a physician and patient to develop a closer partnership to improve the patient’s long term health,” said CMS administrator Donald Berwick, M.D. “The rule will also eliminate out-of-pocket costs for most preventive services beginning January 1, 2011, reducing barriers to access for many beneficiaries.”

The final rule with comment period implements provisions in the Affordable Care Act that expand beneficiary access to preventive services and, for the first time, provide coverage under the traditional fee-for-service program for an annual wellness visit beginning January 1, 2011. This visit augments the benefits of the Initial Preventive Physical Examination (IPPE or “Welcome to Medicare Visit”) with an annual visit that allows the physician and patient to develop a personalized prevention plan that considers not only the age-appropriate preventive services generally available to Medicare beneficiaries, but additional services that may be appropriate because of the patient’s individual health status.

The rule also implements an Affordable Care Act provision that improves access to primary care services by providing a 10 percent incentive payment for primary care services furnished by primary care practitioners. The primary care incentive payment is available for family physicians, general internists, geriatricians, pediatricians, nurse practitioners, clinical nurse specialists, and physician assistants for whom primary care services represent 60 percent or more of their MPFS allowed charges in a prior period. In this rule, CMS finalizes adjustments to proposed policies in response to public comment so that more primary care physicians and nonphysician practitioners

can qualify for the incentive payments, including adjustments for practitioner practice patterns in rural and professionally underserved areas, as well as providing special consideration for practitioners newly enrolling in Medicare.

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In addition, the final rule with comment period implements another Affordable Care Act provision to improve access to surgical services by providing a 10 percent incentive payment to general surgeons performing major surgery in areas designated by the Secretary as Health Professional Shortage Areas (HPSAs). The rule also implements other Affordable Care Act provisions including a provision that allows physician assistants to order post-hospital extended care services in skilled nursing facilities, and another provision to pay the same Medicare rates to certified nurse-midwives as physicians.

The final rule with comment period announces a reduction to payment rates for physicians' services in 2011 under the sustainable growth rate (SGR) formula. MPFS rates are currently scheduled to be reduced under the SGR system on December 1, 2010, and then again on January 1, 2011 under current law. The total reduction in MPFS rates between November and January under the SGR system will be 24.9 percent. While Congress has provided temporary relief from these reductions every year since 2003, a long-term solution is critical.

“Broad physician participation in Medicare is essential to ensuring that beneficiaries continue to have access to care, and physician engagement is critical to our efforts to strengthen the quality of care,” said Berwick. “Medicare needs to be a strong, dependable partner with physicians – and that means the SGR must be fixed. The Administration supports permanently reforming the Medicare payment formula.”

The final rule with comment period continues recent efforts by CMS to improve the accuracy of MPFS payment rates by implementing Affordable Care Act mandates to identify and revise payment for misvalued services. It also addresses concerns about potential physician self-referral by requiring physicians who provide computed tomography (CT), magnetic resonance imaging (MRI), or positron emission tomography (PET) scans in their own offices to notify patients that they may receive the same services from other suppliers in the area.

The final rule will appear in the Nov. 29, 2010 *Federal Register*. Except as otherwise specified, the policies and payment rates adopted in the final rule with comment period will be

effective for services furnished on or after Jan. 1, 2011. CMS will accept comments on certain aspects of the final rule with comment period until Jan. 2, 2011.

For more information, see: www.federalregister.gov/inspection.aspx#special

See also Fact Sheets on the final rule posted at:

www.cms.gov/apps/media/fact_sheets.asp