



**Important
Information You
Need to Know For
The New Year!**

Deductibles * CAPs *
Exceptions* Doc Fix

MERRY CHRISTMAS



CPM Provider Newsletter Digest



December 2011

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Important changes to 2012 Medicare quality reporting program



Several important changes in the Medicare quality reporting program for physicians take effect in 2012. Physicians who participate between 2011 and 2014 are eligible for incentive payments. Those who do not participate in 2013 and beyond will face a penalty beginning in 2015.

Program background

First established as the Physician Quality Reporting Initiative (PQRI) for the reporting period of July 1 through Dec. 31, 2007, the program was renamed the Physician Quality and Reporting System (PQRS) in 2011. Physicians and nonphysician providers who participate in the program transmit data to the Centers for Medicare & Medicaid Services (CMS) regarding quality

measures related to care provided to their Medicare patients.

CMS is required to post the names of eligible professionals and group practices who satisfactorily reported under the PQRI, which is currently available on the Medicare Physician Compare: <http://www.medicare.gov/find-a-doctor/%28X%281%29S%28bthzgf45zkhOwnahj3dutkzd%29%29/provider-search.aspx?AspxAutoDetectCookieSupport=1>.

The AMA advocated for timely feedback for physicians and an informal appeals process, which the Affordable Care Act (ACA) required by 2011. The ACA also required the development of an additional PQRS reporting option in 2011, allowing physicians to submit data through a maintenance of certification (MoC) program. Physicians who elect this option can receive an additional PQRS incentive payment for three years. Details regarding the MoC reporting

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Lawmakers Reach Payroll- Tax Deal

WASHINGTON—Congressional leaders reached an agreement Thursday to temporarily extend a payroll-tax cut by two months and begin negotiations on a yearlong extension, aides said.

The agreement could end a political stalemate over the payroll-tax cut, which lowered Social Security taxes for 160 million Americans in 2011. Under the tentative agreement, the House will vote again on a two-month extension and the Senate will prepare to negotiate for an extension that will run through 2012.

Aides said House Speaker John Boehner (R, Ohio) has agreed to hold a new vote Friday on extending the tax cut, bowing to *(Continued on pg 5)*



Ramblings From the Editor

L. A. Seidelman, Editor

That “Fun” Time of Year...



Hello Everyone!

Tis the Season to be Jolly, fa la la la la...

Can you even believe the holidays are upon us once again?

I know, I know, this is the usual cliché, right? But seriously, this year, really, really went fast!

Other than all the fun stuff like trimming the tree, shopping, decking the halls with boughs and the like, it's also the time of year we turn a jaundiced eye to deductibles and CAP amounts, whether or not there will be exceptions...Oh, and we mustn't forget the annual pagan dance we perform with Congress regarding whether or not that 20%+ reimbursement cut is going to bite us where the reindeer fear to tread...

Each year we hold our collective breaths anticipating when they will deem us worthy to grant reimbursement cut reprieve. It's no longer an issue of if, it's become an issue of when.

Then of course there's the fun we all have each year rebilling oodles of claims which were paid under the pre-cut fee schedule only to get a plethora of 1 and 2 cent checks! Hey! Some of them do get up to 18 cents or so!



But let's put all that aside for now and enjoy the Season to which we will be jolly—Washington, Congress, and Medicare cuts aside!

So to all you out there in Rehabilitation Therapy Land...

***Merry Christmas to all,
and to all, a good night!***

Linda Seidelman





Important changes to 2012 Medicare quality reporting program

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option, improved PQRS feedback and an informal appeals process can be found on the <https://www.cms.gov/PQRS/>.

Currently, physician quality reporting through PQRS is voluntary; however, the ACA mandates PQRS participation in future years. Recently, CMS finalized regulations requiring that 2015 program penalties be based on 2013 quality reporting. Therefore, those physicians who elect not to participate or do not

successfully participate in PQRS during the 2013 program year will receive a 1.5 percent payment penalty in 2015, which increases to 2 percent thereafter.

The AMA is strongly advocating for removal of PQRS penalties, particularly the linking of 2015 program penalties with 2013 performance.

2012 PQRS Overview Individual Reporting

Individual physicians and non-physician providers do not need to sign up or

preregister to participate in the 2012 PQRS. Submission of quality data codes for the 2012 PQRS quality measures to CMS through claims, a qualified registry or electronic health record (EHR) will indicate intent to participate in the 2012 program.

Medicare PQRS incentives and penalties	
2012	0.5% if no MoC; 1% if MoC
2013 (performance year for 2015 penalty)	0.5% if no MoC; 1% if MoC
2014	0.5%
2015	-1.5%
2016	-2%

Group practice reporting option: Previously there were two classes of group practices that could use the group practice reporting option (GPRO): groups of 2–199 physicians and groups of 200 or more physicians. In 2012, there is a single GPRO for practices comprised of 25 or more eligible professionals.

Group practices will report 29 quality measures on a certain number of consecutive patients in 2012. A group practice with 25–99 professionals is required to report 218 consecutive patients, and a group practice with 100 or more professionals is required to report 411 consecutive patients. CMS will allow practices to “skip” patients for valid reasons, such as not being able to find a patient's medical records or confirm diagnosis.

Unlike PQRS participation for individual physicians, group practices are required to submit a self-nomination letter indicating their interest in participation. More information about the 2012 GPRO

option is available on https://www.cms.gov/PQRS/22_Group_Practice_Reporting_Option.asp#TopOfPage.

PQRS measures and measure groups: The 2012 PQRS program will include 210 quality measures available for claims and/or registry reporting, 26 of which are new to the PQRS program. There are an additional 51 measures available for EHR-based reporting, which includes all 44 of the Medicare EHR Incentive Program measures, five PQRS measures that were available in the 2011 EHR reporting option and two new measures CMS developed.

While CMS has eliminated the six-month reporting period for claims and registry reporting for *individual* measures via registry, a six-month reporting period remains for reporting on measures *groups* via a registry.

CMS also added eight measures groups for the 2012 program, bringing the total number of reportable PQRS measures groups to 22. These include: diabetes mellitus, adult kidney disease, preventive care, coronary artery bypass graft, rheumatoid arthritis, perioperative care, back pain, coronary artery disease, heart failure, ischemic vascular disease, hepatitis C, HIV/AIDS, community-acquired pneumonia, asthma, chronic obstructive pulmonary disease, inflammatory bowel disease, sleep apnea, dementia, Parkinson's disease, elevated blood pressure, cardiovascular prevention and cataracts. Because of the limitations of claims-based reporting, some measures groups are only reportable through registries.

Continued...



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Measures contained in the following measures groups will be available for reporting as individual measures: diabetes mellitus, adult kidney disease, preventive care, coronary artery bypass graft, rheumatoid arthritis, peri-operative care, coronary artery disease, heart failure, ischemic vascular disease, hepatitis C, HIV/AIDS, community-acquired pneumonia and asthma.

Alignment of the Medicare PQRS and EHR Incentive Program

To align the PQRS with the Medicare EHR Incentive Program, all clinical quality measures available for reporting under the Medicare EHR Incentive Program will be included in the 2012 PQRS. This will allow physicians to report data on quality measures under the EHR-based reporting option.

Reporting Threshold

At the AMAs urging, CMS decreased the threshold for successful PQRS claims-based reporting from 80 percent to 50 percent starting in 2011. This reporting threshold will continue for the 2012 program year.

Informal Appeals Process

In 2012, an eligible professional electing to utilize the informal appeals process must request an informal review within 90 days of the release of his or her feedback report, regardless of when the participant actually accesses his or her feedback report. CMS has extended the time the agency has to respond to the request for an informal review from 60 days in 2011 to 90 days for 2012.

PQRS Payment Adjustment

Despite strong opposition from the physician community, CMS has designated 2013 as the reporting period for the 2015 PQRS payment penalty. Therefore, if CMS determines that an eligible professional or group practice has not satisfactorily reported data on quality measures for the Jan. 1–Dec. 31, 2013 reporting period for purposes of the 2015 payment penalty, then the fee schedule amount for services furnished by the participating professional or group practice during 2015 would be 98.5 percent of the fee schedule amount that would otherwise apply to such services.

Refer to [CMS's website](#) for additional information on PQRS, including measures, measures groups, reporting options and periods.

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AMA PQRS Participation Tools

The AMA is developing participation tools for both the individual quality measures and measures groups eligible for claims-based reporting in the 2012 PQRS program. These tools will soon be available on the AMA website at: <http://www.ama-assn.org/ama/pub/physician-resources/clinical-practice-improvement/clinical-quality/physician-quality-reporting-system.page>

Please email questions or comments about the tools to cpe@ama-assn.org. ☞



Lawmakers Reach Payroll-Tax Deal

From page 1

hold a new vote Friday on extending the tax cut, bowing to increasing pressure to end an impasse that threatened to leave workers with a tax increase next year.

Congress has been deadlocked all week after House Republicans insisted on a one-year extension. Earlier Thursday, Senate Minority Leader Mitch McConnell (R, Ky.) urged the House to pass the short-term extension, joining a growing number of Senate Republicans concerned that the tax cut would expire.

The House's bill will include a technical change to resolve a problem businesses faced in processing the two-month extension in paychecks, aides said. The fix will enable businesses to process payroll taxes under the accounting structure currently in place so they don't need to upgrade their systems, a House Republican aide said.

The Senate deal limited workers to getting the tax break on only the first \$18,350 of their wages over the two months so that people with a higher salary don't get a proportionately larger break if the tax cut isn't extended. Over a full year, workers pay Social Security taxes on their earnings up to \$106,800, so without the limit, highly paid employees would get the tax break on a larger chunk of their earnings.

The House this week rejected the temporary solution approved 89-10 by the Senate on Saturday.

President Barack Obama, speaking from the White House earlier Thursday, said the House should pass the two-month extension.

"This is an issue where an overwhelming number of people in both parties agree. How can we not get that done?" Mr. Obama said. "Has this place become so dysfunctional that even when people agree to things we can't do it?"

Mr. Boehner called Mr. Obama on Thursday—the second straight day of phone calls—and proposed that the president send his economic-policy team to Congress to "find a

way to accommodate the president's full-year request." Mr. Obama declined, Mr. Boehner's office said.

The White House said the "only viable option currently on the table" was for the House to pass the Senate bill.

But Rep. Chris Van Hollen (D., Md.) said Mr. McConnell's idea was "the way out" of an impasse that has gripped Congress for days. "That is exactly what we've been calling for."

Senate Majority Leader Harry Reid (D., Nev.) said that once the House acts, "I will be happy to restart the negotiating process to forge a yearlong extension."

If Congress fails to act, the payroll tax paid by working Americans will revert to 6.2% from 4.2%, shrinking employees' take-home pay.

Federal unemployment benefits would also expire, leaving workers with state unemployment benefits, which typically run out at 26 weeks.

—Janet Hook, Laura Meckler and Jared Favole contributed to this article.



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2012

Important Information on the Revalidation of Medicare Provider Enrollment

CMS has re-evaluated the revalidation requirement in the *Affordable Care Act* and believes it affords the flexibility to extend the revalidation period for another two years. This will allow for a smoother process for providers and contractors. Revalidation notices will now be sent through March 2015.

Please remember that the *National Revalidation Project* affects 100% of the providers and clinics who have PTANs.

Do not file an unsolicited Revalidation application. Please wait until you have been directed by your Carrier to do so.

To avoid delays and the risk of filing your Revalidation untimely, which could result in the deactivation of your Medicare PTAN and

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billing privileges, please be sure all your supporting documentation is current and valid so that when you receive your Revalidation notice for either your clinic or yourself, these documents are ready to be submitted along with your Revalidation enrollment application.

2012 Therapy Cap Values

Change Request (CR) 7529 describes CMS policy for outpatient therapy caps for Calendar Year (CY) 2012.

- 2012 Therapy caps are **\$1,880**.

There is now a two-month extension to the Therapy CAP exception process from January 1st 2012

Therapy caps apply to outpatient services and do not apply to Skilled Nursing Facility (SNF) residents.

Therapy caps do not apply to any therapy services billed under the home health PPS, inpatient hospitals or the outpatient department of hospitals, including Critical Access Hospitals (CAHs).

Effective: January 1, 2012
Implementation: January 3, 2012

MM7529, titled [Therapy Cap Values for Calendar Year \(CY\) 2012](#), is available on the CMS MLN Matters® Web page.

Providers may reference [CR 7529](#) Transmittal 2351

Medicare Therapy CAP Exceptions

Allowed for 2012? 2 months from 01/01/2012 only

Type: Same as 2011

Vehicle: KX Modifier

Requirement: Medically Necessary

The 2012 Scheduled 24.7% Reimbursement Cuts

Congress has temporarily placed a 2 month moratorium on the 24.7% Scheduled Reimbursement Cuts.

CPM will keep you posted regarding the status of these cuts upon expiration of the temporary moratorium.

2012 Deductibles

Part B Supplementary Medical Insurance	
Deductible	\$140 a year
Coinsurance	20 percent

2012

Now Available Online: List of Providers Sent a Revalidation Request

In response to provider requests, CMS has posted a listing of providers who have been sent a request to revalidate their Medicare enrollment information. The listing contains the name and National Provider Identifier (NPI) of each provider sent a letter, as well as the date the letter was sent.

To see the listing, click **Revalidation Phase 1 Listing** in the "Downloads" section of the [Medicare Provider Supplier Enrollment Revalidation Page](#).

Note: Providers must widen each column in the spreadsheet to view the contents. CMS will be updating this list monthly.

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Providers who are listed and have not received the request should contact their Medicare contractor. Their toll-free number may be found at [Medicare Fee-for-Service Contact Information](#).

For more information on revalidation of Medicare provider enrollment, see MLN Matters® article SE1126, [Further Details on the Revalidation of Provider Enrollment Information](#).

Providers, Front Office Staff, & Collectors should check their clinic and providers once a month to determine if said clinic or provider is on the Revalidation list.

Comment Periods Start on January 6 for Multiple J1 Part B LCDs

The comment periods for the following J1 Part B Local Coverage Determinations (LCDs) will begin on January 6, 2012 and end on February 27, 2012.

- Fundus Photography DL28262
- **Physical Medicine and Rehabilitation Policy DL28290**
- Spinal Cord Stimulators for Chronic Pain DL32446

To view these LCDs, go to the ['LCDs and NCDs'](#) Web page under the 'Medical Policies' section of the J1 Part B Web site. Choose your appropriate state and click on 'Display Draft Documents' in the window that opens up. Select the title of the LCD you wish to view. The LCDs are listed in alphabetical order.

Physician Compare Website

CMS plans to publically report group practices' measure performance results in 2013 based on group practices' **2012** PQRS performance results. Group practices participating in the **2012** PQRS group practice reporting option must agree in advance to have their reporting performance results publically reported as part of their self-nomination to participate.

CMS Therapy CAP ABN Forms for 2012

These forms have been created and are now posted on your CPM Web Portal in the Library under the "Forms" page. Both English and Spanish versions are available.

2012 Fee Schedule

The latest 2012 Fee Schedule has been posted on your CPM Web Portal. This schedule will be updated as needed to reflect any changes Congress may make.

2012 CPM Reports Page

Your 2012 Reports page has been completed and is posted on your CPM Web Portal. [↗](#)

Citation Page

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"Important Changes to 2012 Medicare Quality Reporting Program." *American Medical Association*. Web. 22 Dec. 2011.

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L to R; John O'Connor, Kimberly Saalfeld,
Joe Donohue

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