

## Small Entity Compliance Guide

Medicare Program; Revisions to Payment Policies Under the Physician Fee Schedule, DME Face-to-Face Encounters, Elimination of the Requirement for Termination of Non-Random Prepayment Complex Medical Review and Other Revisions to Part B for CY 2013

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42 CFR Parts 410, 414, 415, 421, 423, 425, 486, and 495

CMS-1590-FC, RIN 0938- AR11

The Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA, Pub. L. 104-121, as amended by Pub. L. 110-28, May 25, 2007) contains requirements for issuance of “small entity compliance guides.” Guides are to explain what actions affected entities must take to comply with agency rules. Such guides must be prepared when agencies issue final rules for which agencies were required to prepare a Final Regulatory Flexibility Analysis under the Regulatory Flexibility Act.

The complete text of this final rule with comment period can be found on the CMS website at: <http://www.cms.hhs.gov/center/physician.asp>.

This final rule with comment period implements changes to the physician fee schedule (PFS) and other Medicare Part B payment policies to ensure that our payment systems are updated to reflect changes in medical practice and the relative value of services. It finalizes the calendar year (CY) 2012 interim relative value units (RVUs) and issues interim RVUs for new and revised procedure codes for CY 2013.

It also addresses, implements or discusses certain statutory provisions including provisions of the Affordable Care Act by establishing a face-to-face encounter as a condition of payment for certain durable medical equipment (DME) items. In addition, it implements statutory changes regarding the termination of non-random prepayment review; discusses payments for Part B drugs; Physician Quality Reporting System; the Electronic Prescribing (eRx) Incentive Program; the Physician Value-Based Payment Modifier and the Physician Feedback Reporting Program; and other Part B related issues.

This final rule with comment period also, in accordance with the statute, announces that: the total reduction to PFS payment rates between December 2012 and January 2013, under the law as of November 1, 2012, would be -26.5 percent; the preliminary estimate for the sustainable growth rate (SGR) for CY 2013 would be -19.7 percent; and, as calculated under the law as of November 1, 2012, the conversion factor for CY 2013 would be \$25.0008.

For purposes of the RFA, physicians, nonphysician practitioners (NPPs), and suppliers including independent diagnostic testing facilities (IDTFs), are considered small businesses if they generate revenues of \$10 million or less, according to the Small

Business Administration size schedule. Approximately 95 percent of physicians are considered to be small entities. There are over 1 million physicians, other practitioners, and medical suppliers that receive Medicare payment under the PFS.

This rule imposes no direct federal compliance requirements with significant economic impacts on small entities. In order to assist physicians, nonphysician practitioners (NPPs), and suppliers including independent diagnostic testing facilities (IDTFs) in understanding and adapting to changes in Medicare billing and payment procedures, we have developed webpages that include additional material on the PFS at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeeSched/index.html> and

<http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeeSched/PFS-Federal-Regulation-Notices-Items/CMS-1590-FC.html>.