

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-04 Medicare Claims Processing</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 2070</b>	<b>Date: October 18, 2010</b>
	<b>Change Request 7157</b>

**NOTE: This Transmittal is no longer sensitive and is being re-communicated November 10, 2010. The Transmittal Number, date of Transmittal and all other information remain the same.**

**SUBJECT: Calendar Year (CY) 2011 Participation Enrollment and Medicare Participating Physicians and Suppliers Directory (MEDPAR) Procedures**

**I. SUMMARY OF CHANGES:** This instruction furnishes contractors with the materials needed for the 2011 participation enrollment. The attached Recurring Update Notification applies to Chapter 1, section 30.3.12.

**EFFECTIVE DATE: October 18, 2010**

**NOTE: The effective date is not the date of service for this instruction.**

**IMPLEMENTATION DATE: November 8, 2010**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
N/A	

**III. FUNDING:**

**For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:**

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

**For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions

regarding continued performance requirements.

#### **IV. ATTACHMENTS:**

##### **Recurring Update Notification**

*\*Unless otherwise specified, the effective date is the date of service.*

# Attachment – Recurring Update Notification

Pub. 100-04	Transmittal: 2070	Date: October 18, 2010	Change Request: 7157
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**NOTE: This Transmittal is no longer sensitive and is being re-communicated November 10, 2010. The Transmittal Number, date of Transmittal and all other information remain the same.**

**SUBJECT:** Calendar Year (CY) 2011 Participation Enrollment and Medicare Participating Physicians and Suppliers Directory (MEDPARD) Procedures

**Effective Date:** October 18, 2010

**NOTE:** The effective date is not the date of service for this instruction.

**Implementation Date:** November 8, 2010

## I. GENERAL INFORMATION

**A. Background:** Contractors conduct an enrollment period on an annual basis in order to provide eligible physicians, practitioners and suppliers with an opportunity to make their calendar year Medicare participation decision by December 31. Providers (physicians, practitioners, or suppliers) who want to maintain their current PAR status (PAR or non PAR) do not need to take any action in the upcoming annual participation enrollment program. To sign a participating agreement is to agree to accept assignment for all covered services that are provided to Medicare patients. After the enrollment period ends, contractors publish an updated list of participating physicians, practitioners, and suppliers in their local MEDPARDs on their Web sites.

**B. Policy:** The annual participation enrollment program for CY 2011 will commence on November 12, 2010, and will run through December 31, 2010.

The purpose of this Recurring Update Notification is to furnish contractors with material needed for the CY 2011 participation enrollment effort. The following documents are attached:

- A Participation Announcement; and
- A Blank Participation Agreement.



		M A C	M A C		R I E R	I	F I S S	M C S	V M S	C W F	
7157.1	Contractors shall reproduce the attachments and mail the participation material (excluding the fees) on a CD ROM.  See the Internet Only Manual (IOM) Pub. 100-04, Chapter 1, section 30.3.12.1.	X			X						
7157.2	Contractors shall display the fee data prominently on their Web site.  For CY 2011 disclosure reports, contractors shall use the following format for displaying fees on the Web and/or hardcopy: <ul style="list-style-type: none"> <li>• Procedure code (including professional and technical component modifiers and modifier - 53, as applicable);</li> <li>• Par amount (non-facility);</li> <li>• Par amount (facility-based);</li> <li>• Non-par amount (non-facility);</li> <li>• Limiting charge (non-facility);</li> <li>• Non-par amount (facility-based); and</li> <li>• Limiting charge (facility-based).</li> </ul>	X			X						
7157.3	For CY 2011 disclosure reports, contractors shall provide the anesthesia conversion factors on their Web site.	X			X						
7157.4	Contractors shall display the fee schedule using a provider friendly format from which providers can download their particular locality. Providers should not have to download the whole fee schedule file.	X			X						
7157.5	Contractors shall insert on the CD their Web site link for providers to use to view the new fees. A statement/paragraph should be added to the CD advising the providers that the new fees are posted on the contractor Web site and not available on the CD.	X			X						
7157.6	Contractors shall insert the following language to the CD:  “We encourage you to visit the Medicare Learning Network ( <a href="http://www.cms.gov/MLNGenInfo/">http://www.cms.gov/MLNGenInfo/</a> )--the place for official CMS Medicare fee-for-service provider educational information. There you can find one of our most popular products, MLN Matters national provider education	X			X						

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				O T H E R
							F I S S	M C S	V M S	C W F	
M A C	M A C										
	<p>articles. These articles help you understand new or changed Medicare policy and how those changes affect you. A full array of other educational products (including Web -based training courses, hard copy and downloadable publications, and CD-ROMs) are also available and can be accessed at: <a href="http://www.cms.gov/MLNProducts/">http://www.cms.gov/MLNProducts/</a>. You can also find other important physician Web sites by visiting the Physician Center Web page at: <a href="http://www.cms.gov/center/physician.asp">http://www.cms.gov/center/physician.asp</a>".</p> <p><b>NOTE:</b> If it is too late to have the above language included on your annual PARDOC CD, be sure to post it on your Web site.</p>										
7157.7	Effective immediately, contractors shall educate providers via their Web site and whatever other provider outreach that can be utilized that the fees will be placed on the contractor Web site after the CY 2011 physician fee schedule regulation is put on display.	X			X						
7157.8	Contractors shall insert their Web site address for providers to use to access the CY 2011 payment rates in the space available at the end of the Participation Announcement sheet.	X			X						
7157.9	Contractors shall insert their contractor-specific information (i.e., toll-free telephone numbers, etc.) in the blank lines as indicated at the end of the Participation Announcement sheet.	X			X						
7157.10	Contractors shall inform providers via their listserv when the CY 2011 fees are posted to their Web site.	X			X						
7157.11	Contractors shall annotate the envelope containing the participation material with the following message: "Open Immediately. Package Contains 2011 Medicare Participation Information from the Centers for Medicare & Medicaid Services."	X			X						



Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				OTH ER
							F I S S	M C S	V M S	C W F	
	<p>"The payment for the technical component is capped at the OPPS amount." (This statement should be made applicable to services in which the technical portion was capped at the Outpatient Prospective Payment System amount.)</p> <p>See the Internet Only Manual (IOM) Pub. 100-04, Chapter 1, section 30.3.12.1.</p>										
7157.16	<p>If contractors choose to use code descriptors on their Web site, they must use the short descriptors contained in the Healthcare Common Procedure Coding System (HCPCS) file and the MPFSDB. If contractors find descriptor discrepancies between these two files, use the HCPCS file short descriptor.</p> <p><b>NOTE:</b> The CMS has signed agreements with the American Medical Association regarding use of CPT, and the American Dental Association regarding use of Current Dental Terminology (CDT), on Medicare contractor Web sites, CD-ROMs, bulletin boards, and other electronic communications (refer to the IOM Publication 100-04, Chapter 23, section 20.7).</p>	X			X						
7157.17	Contractors shall process participation elections and withdraws post-marked before January 1, 2011.	X			X						
7157.18	Contractors shall not print hardcopy participation directories (i.e., MEDPARDs) for CY 2011 without regional office prior authorization and advanced approved funding for this purpose.	X			X						
7157.19	If contractors receive inquiries from a customer who does not have access to the contractor Web site, they shall ascertain the nature and scope of each request and furnish the desired MEDPARD participation information via phone or letter.	X			X						
7157.20	Contractors shall load their local MEDPARD information for providers on their Web site within 30 days following the	X			X						



Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				O T H E R
							F I S S	M C S	V M S	C W F	
	close of the annual participation enrollment process.										
7157.21	Contractors shall notify providers via regularly scheduled newsletters as to the availability of the MEDPARD information and how to access it electronically.	X			X						
7157.22	Contractors shall also inform hospitals and other organizations (i.e., Social Security offices, area Administration on Aging offices, and other beneficiary advocacy organizations) how to access MEDPARD information on your Web site.	X			X						
7157.23	Contractors shall convert the Form CMS-460 into a document that allows providers to enter all required information (except for the signature and effective date in item 2) before printing. Then, the provider will only have to print out the Form CMS-460, sign it, and mail it to the contractor.  <b>NOTE:</b> The Form CMS-460 was revised in 2010.	X			X						
7157.24	Contractors shall protect all parts of the Form CMS-460 that do not require data entry from being altered. (The provider can only be allowed to enter their required information, and not change any other parts of the Form CMS-460).	X			X						
7157.25	Contractors shall continue to plug-in the January 1, (appropriate year), effective date in item 2 of the Form CMS-460 included in the CD-ROM mailing.	X			X						
7157.26	For any par changes submitted by providers who do <u>not</u> have an enrollment record in the Provider Enrollment, Chain and Ownership System (PECOS), contractors shall process the par request and send a Revalidation Letter directing the provider to complete the Medicare enrollment application (i.e., paper or Internet-based PECOS) within 60 days.	X			X						
7157.27	Contractors shall refer to the IOM Pub. 100-04, Chapter 1, section 30.3.12.1 for more information about what to include in the CD-ROM.	X			X						

**III. PROVIDER EDUCATION TABLE**

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				OTH ER
							F I S S	M C S	V M S	C W F	
7157.28	None. An MLN Matters Article related directly to this change request is <u>not</u> needed. Mailing the entire participation enrollment materials (except the fees) on the CD-ROM and posting of the MEDPARD information is considered provider education. Contractors shall follow the instructions regarding the dates for releasing/ mailing these materials that are contained in this Recurring Update Notification.	X			X						

**IV. SUPPORTING INFORMATION**

**Section A: For any recommendations and supporting information associated with listed requirements, use the box below:**

*Use "Should" to denote a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information:

**Section B: For all other recommendations and supporting information, use this space: N/A**

**V. CONTACTS**

**Pre-Implementation Contact(s):** April Billingsley, (410) 786-0140, [april.billingsley@cms.hhs.gov](mailto:april.billingsley@cms.hhs.gov)

**Post-Implementation Contact(s):** Appropriate Regional Offices and/or the appropriate project officer.

## **VI. FUNDING**

### **Section A: For *Fiscal Intermediaries (FIs)*, *Regional Home Health Intermediaries (RHHIs)*, and/or *Carriers*:**

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

### **Section B: For *Medicare Administrative Contractors (MACs)*:**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**2 Attachments: Participation Announcement and Blank Participation Agreement.**



## Announcement

### About Medicare Participation for Calendar Year 2011

In 2011, we are implementing many provisions mandated by the Affordable Care Act (ACA) that impact payment under the Medicare Physician Fee Schedule (PFS), including:

- Payment for an annual wellness visit;
- No beneficiary cost-sharing for most preventive services;
- Ten percent incentive payments to qualifying primary care practitioners for primary care services;
- Ten percent incentive payments to general surgeons for major surgical procedures performed in health professional shortage areas; and
- Changes to the factors used to adjust physician fee schedule payment for geographic differences in physicians' practice costs.

We are continuing our efforts to promote improvement in quality of care and patient outcomes through the Electronic Prescribing Incentive Program (eRx Program) and the Physician Quality Reporting Initiative. Eligible professionals or group practices that meet the requirements of each program in calendar year (CY) 2011 will be eligible for incentive payments for each program equal to 1.0 percent of their total estimated allowed charges for the reporting periods. In addition, during 2011, eligible professionals or group practices will need to meet certain eRx requirements to avoid being subject to a negative payment adjustment equal to 1.0 percent of their fee schedule amounts for covered professional services furnished during 2012. Information regarding the specific eRx requirements an eligible professional will need to meet during 2011 to avoid being subject to the payment adjustment in 2012 will be available on the CMS eRx Incentive Program website at <http://www.cms.gov/erx incentive>.

Beginning in 2011, eligible professionals can also receive incentive payments for the use of electronic health record (EHR) technology under the Medicare and Medicaid EHR Incentive Programs. Eligible professionals who successfully demonstrate meaningful use of certified EHR technology under the Medicare EHR Incentive Program are eligible to receive up to \$44,000 in incentive payments over 5 years. Registration will open in January 2011. Eligible professionals who do not successfully demonstrate meaningful use of certified EHR technology by 2015 will be subject to payment adjustments. There is also a more generous incentive program for Medicaid eligible professionals. Visit the Medicare and Medicaid EHR Incentive Programs website at <http://www.cms.gov/EHRIncentivePrograms/>.

We are encouraging all physicians, practitioners, and suppliers to continue monitoring the Centers for Disease Control and Prevention (CDC), CMS, and contractor websites for information about seasonal influenza. Specific provider information as to the latest clinical guidance is available at the following websites: <http://www.cdc.gov/h1n1flu/> and [www.flu.gov](http://www.flu.gov).

We also encourage all physicians, practitioners, and suppliers to establish and maintain their Medicare enrollment record using the Internet-based Provider Enrollment, Chain and Ownership System (PECOS). For more information about Internet-based PECOS, please visit the CMS website found at [www.cms.gov/MedicareProviderSupEnroll](http://www.cms.gov/MedicareProviderSupEnroll).

## WHY PARTICIPATE

All physicians, practitioners and suppliers must make their CY 2011 Medicare participation decision by December 31, 2010. Providers who want to maintain their current PAR status (PAR or Non PAR) do not need to take any action during the upcoming annual participation enrollment program. To sign a participation agreement is to agree to accept assignment for all covered services that you provide to Medicare patients in CY 2011. The majority of physicians, practitioners and suppliers have chosen to participate in Medicare. During CY 2010, 95.8 percent of all physicians and practitioners are billing under Medicare participation agreements.

If you participate and you bill for services paid under the Medicare physician fee schedule, your Medicare fee schedule amounts are 5 percent higher. Also, affected providers receive direct and timely reimbursement from Medicare.

Another reason to participate is to facilitate payment from the beneficiary's Medigap plan for costs not paid by Medicare. For Medigap crossovers, there are two possible processes that Medicare uses: an automatic process, where the Medigap insurer sends information to Medicare on its covered members to trigger the crossing over of claims; and a provider-driven process, known as Medigap claim-based crossover, where the physician or supplier triggers the crossing over of claims to a Medigap insurer. If the Medigap plan does not use the automatic process, the beneficiary must assign benefits to the physician or supplier as a condition of Medicare crossing the claim over to that insurer.

## WHAT TO DO

If you choose to be a participant in CY 2011:

- Do nothing if you are currently participating, or
- If you are not currently a Medicare participant, complete the blank agreement enclosed and mail it (or a copy) to each Medicare contractor to which you submit Part B claims. (On the form show the name(s) and identification number(s) under which you bill.)

If you decide not to participate in CY 2011:

- Do nothing if you are currently not participating, or
- If you are currently a participant, write to each Medicare contractor to which you submit claims, advising of your termination effective January 1, 2011. This written notice must be postmarked prior to January 1, 2011.

Hold onto this announcement during this enrollment period. You may want to refer to it again before making your decision regarding Medicare participation for CY 2011.

We hope you will decide to be a Medicare participant in CY 2011.

Please call \_\_\_\_\_ if you have any questions or need further information on participation.

**To view updates and the latest information about Medicare, or to obtain telephone numbers of the various Medicare contractors contacts including the contractor medical directors, please visit the CMS web site at <http://www.cms.gov/>.**

*To view the calendar year 2011 Medicare Physician Fee Schedule and Anesthesia Conversion Factors, please visit your local Medicare contractor web site: (insert local Medicare contractor web site address).*

**For \_\_\_\_\_ (Medicare contractor name) \_\_\_\_\_, you may contact the following toll-free number(s) for assistance:**

## MEDICARE PARTICIPATING PHYSICIAN OR SUPPLIER AGREEMENT

Name(s) and Address of Participant*	National Provider Identifier (NPI)*

\*List all names and the NPI under which the participant files claims with the Medicare Administrative Contractor (MAC)/carrier with whom this agreement is being filed.

The above named person or organization, called “the participant,” hereby enters into an agreement with the Medicare program to accept assignment of the Medicare Part B payment for all services for which the participant is eligible to accept assignment under the Medicare law and regulations and which are furnished while this agreement is in effect.

1. **Meaning of Assignment:** For purposes of this agreement, accepting assignment of the Medicare Part B payment means requesting direct Part B payment from the Medicare program. Under an assignment, the approved charge, determined by the MAC/carrier, shall be the full charge for the service covered under Part B. The participant shall not collect from the beneficiary or other person or organization for covered services more than the applicable deductible and coinsurance.
  
2. **Effective Date:** If the participant files the agreement with any MAC/carrier during the enrollment period, the agreement becomes effective \_\_\_\_\_.
  
3. **Term and Termination of Agreement:** This agreement shall continue in effect through December 31 following the date the agreement becomes effective and shall be renewed automatically for each 12-month period January 1 through December 31 thereafter unless one of the following occurs:
  - a. During the enrollment period provided near the end of any calendar year, the participant notifies in writing every MAC/carrier with whom the participant has filed the agreement or a copy of the agreement that the participant wishes to terminate the agreement at the end of the current term. In the event such notification is mailed or delivered during the enrollment period provided near the end of any calendar year, the agreement shall end on December 31 of that year.
  
  - b. The Centers for Medicare & Medicaid Services may find, after notice to and opportunity for a hearing for the participant, that the participant has substantially failed to comply with the agreement. In the event such a finding is made, the Centers for Medicare & Medicaid Services will notify the participant in writing that the agreement will be terminated at a time designated in the notice. Civil and criminal penalties may also be imposed for violation of the agreement.

Signature of participant (or authorized representative of participating organization)	Date	
Title (if signer is authorized representative of organization)	Office Phone Number (including area code)	
Received by (name of carrier)	Initials of Carrier Official	Effective Date

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0373. The time required to complete this information collection is estimated to average 15 minutes per response, including the time to review instructions, search existing data resources, gather the data needed and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Baltimore, Maryland 21244-1850.

## **INSTRUCTIONS FOR THE MEDICARE PARTICIPATING PHYSICIAN AND SUPPLIER AGREEMENT (CMS-460)**

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To sign a participation agreement is to agree to accept assignment for all covered services that you provide to Medicare patients.

### **WHY PARTICIPATE?**

If you bill for physicians' professional services, services and supplies provided incident to physicians' professional services, outpatient physical and occupational therapy services, diagnostic tests, or radiology services, your Medicare fee schedule amounts are 5 percent higher if you participate. Also, providers receive direct and timely reimbursement from Medicare.

Regardless of the Medicare Part B services for which you are billing, participants have "one stop" billing for beneficiaries who have Medigap coverage not connected with their employment and who assign both their Medicare and Medigap payments to participants. After we have made payment, Medicare will send the claim on to the Medigap insurer for payment of all coinsurance and deductible amounts due under the Medigap policy. The Medigap insurer must pay the participant directly.

Currently, the large majority of physicians, practitioners and suppliers are billing under Medicare participation agreements.

### **WHEN THE DECISION TO PARTICIPATE CAN BE MADE:**

- Toward the end of each calendar year, all MAC/carriers have an open enrollment period. The open enrollment period generally is from mid-November through December 31. During this period, providers who are currently enrolled in the Medicare Program can change their current participation status beginning the next calendar year on January 1. This is the only time these providers are given the opportunity to change their participation status. These providers should contact their MAC/carrier to learn where to send the agreement, and get the exact dates for the open enrollment period when the agreement will be accepted.
- New physicians, practitioners, and suppliers can sign the participation agreement and become a Medicare participant at the time of their enrollment into the Medicare Program. The participation agreement will become effective on the date of filing; i.e., the date the participant mails (post-mark date) the agreement to the carrier or delivers it to the carrier.

Contact your MAC/carrier to get the exact dates the participation agreement will be accepted, and to learn where to send the agreement.

### **WHAT TO DO DURING OPEN ENROLLMENT:**

If you choose to be a participant:

- Do nothing if you are currently participating, or
- If you are not currently a Medicare participant, complete the blank agreement (CMS-460) and mail it (or a copy) to each carrier to which you submit Part B claims. (On the form show the name(s) and identification number(s) under which you bill.)

If you decide not to participate:

- Do nothing if you are currently not participating, or
- If you are currently a participant, write to each carrier to which you submit claims, advising of your termination effective the first day of the next calendar year. This written notice must be postmarked prior to the end of the current calendar year.



**WHAT TO DO IF YOU'RE A NEW PHYSICIAN, PRACTITIONER OR SUPPLIER:**

If you choose to be a participant:

- Complete the blank agreement (CMS-460) and submit it with your Medicare enrollment application to your MAC/carrier.
- If you have already enrolled in the Medicare program, you have 90 days from when you are enrolled to decide if you want to participate. If you decide to participate within this 90-day timeframe, complete the CMS-460 and send to your MAC/carrier.

If you decide not to participate:

- Do nothing. All new physicians, practitioners, and suppliers that are newly enrolled are automatically non-participating. You are not considered to be participating unless you submit the CMS-460 form to your MAC/carrier.

We hope you will decide to be a Medicare participant.

Please call the MAC/carrier in your jurisdiction if you have any questions or need further information on participation.

**DO NOT SEND YOUR CMS-460 FORM TO CMS, SEND TO YOUR MAC/CARRIER. IF YOU SEND YOUR FORMS TO CMS, IT WILL DELAY PROCESSING OF YOUR CMS-460 FORMS.**

To view updates and the latest information about Medicare, or to obtain telephone numbers of the various Medicare Administrative Contractor (MAC)/carrier contacts including the MAC/carrier medical directors, please visit the CMS web site at <http://www.cms.gov/>.