

CMS Issues Official Statement on April Claims Processing in Light of Congressional Failure to Delay 21% Decrease in Medicare Reimbursements

In light of Congress's continuing failure to legislatively delay the 21% decrease in Medicare reimbursements that are statutorily mandated to take place as of April 1, 2010, the Centers for Medicare and Medicaid Services (CMS) just issued the following official statement on how it intends to proceed with the processing of claims for professional services rendered as of such date:

"CMS continues to work with Congress toward possible legislative action to extend the zero percent update for the Medicare Physician Fee Schedule. The zero percent update expired on March 31, 2010.

We are hopeful that Congress will take action in the next few days.

Until now, CMS has been holding April 2010 date-of-service claims, anticipating congressional action. But that has not occurred.

Therefore, under current law, Medicare contractors will begin processing claims with dates of service April 1 and later at the negative update rates. This will begin as soon as systems are fully tested to ensure proper claims payment. And, Medicare contractors will pay these claims on a first in – first out basis.

If subsequent congressional action extends the zero percent update retroactive to April 1, 2010, Medicare will reprocess those claims at the higher rates. Claims with submitted charges at or above the higher rates will be able to be automatically reprocessed without further action.

Providers have the option of holding their affected claims until the legislative landscape becomes clearer.

Claims with dates of service prior to April 1, 2010, are not affected and will continue to be processed under normal procedures at the rates in effect on the date of service."