

MEDICARE ENROLLMENT UPDATES

Medicare has made numerous changes to the enrollment process over the past few years, including significant changes that were effective April 1, 2009. The purpose of this memo is to highlight a few particular enrollment areas including: **1)** the recently announced revalidation effort; **2)** the critical need for physicians to keep their Medicare enrollment information up to date; and **3)** effective 01/03/2011, ordering/referring providers must be in the PECOS system and eligible to order and refer or the claim will not be paid.

Medicare Revalidation Efforts

Pursuant to the April 21, 2006 final rule on enrollment, CMS stated physicians that enrolled in Medicare prior to 2003 (the time when the PECOS enrollment system went into affect) who have not completed a Medicare enrollment application since that time, may voluntarily re-enroll. CMS has said physicians who choose not to voluntarily come into compliance will be asked to do so through a revalidation process. CMS reiterated this in the 2009 final fee schedule rule. **It is critical to note that once a physician receives a request to revalidate, they are only given 60 days to respond to a contractor's request. Physicians who do not respond to a revalidation request could face revocation of their billing privileges. Physicians are strongly encouraged to re-enroll prior to receiving a revalidation request.** Medicare has begun the enrollment revalidation effort. In transmittal 557 published September 14, 2009, CMS announced that Medicare will begin limited revalidation efforts. The revalidation effort will first focus on the top 50 Part B billers (dollar value of submitted claims), which includes physicians, within each state. Contractors are in the process of sending revalidation packages to these selected practices. **While the revalidation effort is just focusing on physician suppliers for now, it is expected to be expanded in the future.** The requirements on revalidation can be found in Medicare's Program Integrity Manual in Chapter 10, Section 9 at: <http://www.cms.hhs.gov/manuals/downloads/pim83c10.pdf>.

Importance of Updating Medicare Enrollment Information

Physicians can also see their enrollment revoked for at least a year if a contractor learns a physician has not made the following changes to their enrollment information within the required timeframe:

- Changes in ownership or financial or controlling interest (30 days)
- Changes in practice location (30 days)
- Adverse legal actions (see Medicare enrollment application for a complete list) (30 days)
- All others 90 days

Revised 855 Enrollment Applications Forms

CMS revised the 855 forms used by physicians to enroll in July. The new version is labeled CMS-855I (02/08) (EF 07/09). Prior to the changes made in July the older forms were labeled CMS-855I (02/08). CMS will permit use of the old forms through November 30 after which point only the new version will be accepted. The new forms can be found on the CMS website at: <http://www.cms.hhs.gov/CMSForms/CMSForms/list.asp> (search on 855). One of the most significant changes CMS made to the forms was reducing the documentation physicians are required to submit with their application. Physicians are no longer required to submit copies of pertinent licenses (i.e. state licensure, business licenses). Also, physicians are no longer required to submit IRS documentation confirming their TIN (i.e. CP 575). If, however, the contractor is unable to verify this information when processing an application, physicians could be asked to submit these documents.

Internet-Based PECOS

While CMS finally implemented the online enrollment system (Internet-based PECOS) in late 2008,

use of the new system remains low and represents a small percentage of overall enrollment applications submitted. CMS tells us the average timeframe for processing an online application is approximately 25 days. More information about the online application is on the CMS website at: http://www.cms.hhs.gov/MedicareProviderSupEnroll/04_InternetbasedPECOS.asp#TopOfPage. Look for the document called "Internet-based PECOS -- Enrollment Example" for copies of screen shots of the online application. When CMS originally launched Internet-based PECOS in December 2008, it prohibited practice staff and credentialing professionals from accessing Internet-based PECOS on behalf of individual practitioners. Practice staff and credentialing professionals may now use the Internet-based PECOS on behalf of individual practitioners. CMS, however, reminds individual practitioners that they are ultimately liable for the accuracy of the enrollment information reported to the Medicare program, as well as for any unauthorized disclosures of the information that may occur while the information is being sent to Medicare. Organizations, such as group practices, are also permitted to use Internet-based PECOS to complete the information contained within the CMS-855B application, but, additional paper work must be completed and further steps must be taken in order to gain access to the system. More details can be found in the above website.

Protecting Physicians' NPI Information and Updating their Information in NPPES

CMS continues to remind physicians to:

- Keep their National Provider Identifier (NPI) information secure by maintaining their own NPPES account information and keeping their User ID, password, and Secret Question/Answer confidential in order to protect their National Plan and Provider Enumeration System (NPPES) information from unauthorized access.
- Reset their NPPES passwords at least once a year. See the NPPES Application Help page at <https://nppes.cms.hhs.gov/NPPES/Help.do> and select the 'Reset Password Page' for applicable rules. Those rules indicate the length, format, content and requirements of NPPES passwords.
- Review their NPPES records in order to ensure that the information reflects current and correct information. Covered health care providers are required to update their NPPES information within 30 days of the effective date of the change.

Physicians and non-physician practitioners, can correct, add, or delete information in their NPPES records by accessing their NPPES records at <https://nppes.cms.hhs.gov/NPPES/Welcome.do> and following the NPI hyperlink selecting Login. Physicians will be prompted to enter the User ID and password that he/she previously created. Required information cannot be deleted from an NPPES record; however, required information can be changed/updated to ensure that NPPES captures the correct information. Certain information is inaccessible via the web, thus requiring the change/update to be made via a paper application. The paper NPI Application/Update Form (CMS-10114) can be downloaded and printed at <http://www.cms.hhs.gov/cmsforms/downloads/CMS10114.pdf>.

Important Information for Physicians who Order Services or Refer Patients

Medicare is tightening up rules surrounding ordering/referring physicians. In order for physicians to bill for items or services (including DME), **the referring/ordering physician must be enrolled in Medicare even if service/item is covered by Medicare.** CMS has said they are implementing this policy to adhere to the Social Security Act which requires them to uniquely identify physicians who are eligible to order/refer on claims for services where they have ordered services or referred a patient.

Further, CMS is defining "enrolled" as meaning a physician's enrollment information is in the PECOS database. Therefore, if a physician enrolled prior to 2003 when PECOS went into effect they will be required to re-enroll if they want to continue referring and ordering.

CMS plans on implementing this policy in two phases and, due numerous organizations voicing concerns over the timeline, has recently decided to delay the effective date of Phase 2 until January 3, 2011. During Phase 1 implementation beginning October 5, 2009 through January 3, 2011, if it's

determined the physician is not enrolled and eligible to refer/order, Medicare will continue to process the claim and will include a remark message (M68 – missing/incomplete/invalid attending, ordering, rendering, supervising, or referring physician identification) on the remittance advice. **When Phase 2 begins on January 3, 2011 and thereafter, if the billed service requires an ordering/referring physician and none is present, the claim will not be paid. If the ordering/referring provider is on the claim, Medicare will verify that the ordering/referring provider is in PECOS and eligible to order and refer. If the ordering/referring provider is not in PECOS, the carrier or Part B MAC will search its claims system for the ordering/referring provider. If the ordering/referring provider is not in PECOS and is not in the claims system, the claim will not be paid.**

The delay in implementing Phase 2 of CR 6417 and CR 6421 will give physicians who order items or services for Medicare beneficiaries or who refer Medicare beneficiaries to other Medicare providers or suppliers sufficient time to enroll in Medicare or take the action necessary to establish a current enrollment record in Medicare prior to Phase 2 implementation.

All physicians who order and refer items or services for Medicare beneficiaries should verify their Medicare enrollment. They may do so by going to the CMS website at:

http://www.cms.hhs.gov/MedicareProviderSupEnroll/04_InternetbasedPECOS.asp#TopOfPage

More information on this new policy can be found at:

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6417.pdf> and

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6421.pdf>

(Please note that MM6417 and MM6421 have just recently been revised and the date extended until January 3, 2011.)