

## CMS will process claims today, June 18, with 21 percent cut

➤ **CMS Claims Processing Update (Pg) - 1**

As the clock continues to tick toward the June 18 final deadline for implementation of the 21.3 percent cut in Medicare physician payments produced by the sustainable growth rate (SGR) formula, U.S. Senate debate continued June 17 over H.R. 4213, the American Jobs and Closing Tax Loopholes Act. In addition to providing another short-term reprieve from the impending Medicare cut, the legislation would increase federal Medicaid funding and extend various expiring programs, such as disaster relief and long-term unemployment insurance benefits.

If legislation is not signed into law before the weekend, the Centers for Medicare and Medicaid Services (CMS) will have no option but to instruct its contractors to begin processing Medicare claims for physician services provided in June at rates that reflect the 21.3 percent cut.

Once the House and Senate act to avert the cut, claims will be processed as follows:

- If the submitted charge is higher than the new rate, the contractor will automatically reprocess the claim.
- If the submitted charge is lower than the new rate, the physician should call the contractor.

CMS says almost all physicians submit claims for more than the Medicare rates. No one is going to be reviewing the limiting charge for the period that the cut was in place because CMS assumes Congress will ultimately make the fix retroactive.

The Office of Inspector General and CMS are close to releasing a document to waive patient co-pay requirements for situations such as the retroactive increases that were made to the geographic practice cost index increases. CMS will share that document once it is available.

## Congressional inaction is a dereliction of duty

Democrats and Republicans in Congress are responsible for the current Medicare payment debacle. Congress has missed three separate deadlines and is now allowing cuts to go into effect that they pledged they would not allow to occur.

We expect our elected officials to resolve budget issues without punishing physicians, seniors and military families. State medical societies and national specialty societies sent a joint statement to Congress on June 16 that emphasizes this point. Continue to let your representatives and senators know that their inaction is unacceptable, and that it is harming patients and physicians across the country.

Use the **AMA Physicians' Grassroots Network** toll-free hotline at **(800) 833-6354** to call your lawmakers and tell them to repeal Medicare's SGR formula once and for all.

Source: American Medical Association

