

NCDS update

A Billing Industry Newsletter for Clients

Keeping your office up-to-date on industry and insurance changes, late-breaking billing & reimbursement news, and general inter-office communication...

ELECTION 2012: PRESIDENT OBAMA'S 2ND TERM AND THE IMPACT ON THE HEALTHCARE INDUSTRY



President Obama's win in November solidified the direction of healthcare reform in the United States. While the election is over, the healthcare industry is still abuzz with questions as to how Obamacare will be finalized and what impacts to Medicare and Medicaid will be made over the next four years. Not since the Great Society legislation of Lyndon B. Johnson has America seen such monumental reform in healthcare, and the re-election of President Obama means there will likely be more to come. In the words of Michael Franc, VP for government studies at the Heritage foundation, "This is the single most important election on the federal government's role in the health care sector in our history, and an Obama win gives the federal government unprecedented control over this one-sixth of the economy. That's a big deal." While only the future can know what the final outcome will be for healthcare reform, the election results indicate the majority of Americans favor the policies set forth in the Affordable Care Act, as well as the president's promise to improve the flaws in the Medicare and Medicaid programs nationwide.

2013: THE AFFORDABLE CARE ACT

Here is a brief look at some of the changes the ACA is set to implement as of January 1, 2013:

- **Improving Preventive Health Coverage.** To expand the number of Americans receiving preventive care, the law provides new funding to state Medicaid programs that choose to cover preventive services for patients at little cost.
- **Expanding Authority to Bundle Payments.** The law establishes a national pilot program to encourage hospitals, doctors, and other providers to work together to improve the coordination and quality of patient care. Under payment "bundling," hospitals, doctors, and providers are paid a flat rate for an episode of care rather than the current fragmented system where each service or test or bundles of items or services are billed separately to Medicare.
- **Increasing Medicaid Payments for Primary Care Doctors.** As Medicaid programs and providers prepare to cover more patients in 2014, the Act requires states to pay primary care physicians no less than 100% of Medicare payment rates in 2013 and 2014 for primary care services.

For more information on changes of the ACA please visit:

<http://www.healthcare.gov/law/timeline/full.html>

OBAMA VICTORY REMOVES LAST MAJOR THREAT TO ACA

BY: JENNIFER LUBELL, AMEDNEWS STAFF

Washington President Obama in securing four more years in the White House removed the last element of uncertainty about whether the central provisions of the Affordable Care Act will go into effect starting in 2014.

In defeating former Massachusetts Gov. Mitt Romney, who had vowed to bring about the repeal of the ACA, Obama ensured that the implementation of the major health coverage expansion would go forward. In addition to the president's veto powers, continued Democratic control of the Senate provides another safeguard against Republican lawmakers' attempts to undo the statute.

Physicians on the one hand should be encouraged that Obama was re-elected and that health system reform will move forward, said Chantel Sheaks, a principal in government relations with Buck Consultants in Washington who specializes in health system reform issues. More people under the law will become insured through the Medicaid expansion and subsidized coverage under health insurance exchanges, meaning doctors will gain more paying patients, she said.

"But it's yet to be seen what those payment rates are going to be" as the coverage expansions take effect, Sheaks said. The implementation phase is occurring as doctors continue to face potential Medicare pay cuts under the program's sustainable growth rate formula.

Health system reform was the defining legislative achievement of Obama's first term as president. With his re-election and continued Democratic control of the Senate, "the Republicans will have to concede that the law is here to stay," Sheaks said.

Obama in his acceptance speech in the early hours of Nov. 7 put a personal touch on the law's impact by describing how it helped an 8-year-old girl in Ohio with leukemia. The girl's illness "nearly cost their family everything had it not been for health care reform passing just a few months before the insurance company was about to stop paying for her care," he said.

With the possibility of ACA repeal out of the way, Bonnie Washington, senior vice president of consultant Avalere Health LLC, expects that the Dept. of Health and Human Services will move quickly in issuing guidance and regulations that had been delayed before the election. Timelines for crafting the health insurance exchanges and the Medicaid expansion probably will stay in place to ensure coverage for people starting in 2014, she said. The most immediate deadline is Nov. 16, when states planning to launch an exchange must submit a blueprint to HHS.

Some states will be prepared, but "it is too late for a lot of states to start from scratch their own state exchange process," Washington said. Those states in 2014 will be required to accept a federally facilitated exchange.

For the complete article please visit: <http://www.ama-assn.org/amednews/2012/11/05/qvvd1107.htm>

IMPORTANT MEDICARE REMINDER!

If you have not yet received a Medicare Revalidation Request please watch your mail for a canary yellow envelope. Medicare is sending all revalidation requests in a special yellow envelope to be sure it stands out from the regular mail. You only have a 60 day period to complete your revalidation if Medicare sends you a request and it is *not* optional. If the revalidation is not completed in the time allotted your Medicare reimbursement can and will be affected. To see if you are on Medicare's list, visit the following website to see a list of providers that have already been sent revalidation requests. NCDS recommends providers visit the website periodically to ensure you don't miss this important request.

<http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/Revalidations.html>

If you would like the enrollment department at NCDS to assist your practice in completing your Medicare Revalidation Request please contact Mick Polo at extension 23 or email mickp@ncdsinc.com for more information.



UNITED HEALTHCARE CHANGES CLAIM LIABILITY FOR MEDICARE ADVANTAGE PLANS



United Healthcare has again increased the number of services for which the patient cannot be held liable, stating the services are "not covered," and the patient is not responsible. These changes place an increased burden on providers to know, prior to submitting a claim, if the patient's coverage will pay for a given service. According to a recent bulletin from United Healthcare:

"In order to ensure that physician and non-physician providers do not encounter issues when billing for non-covered services, **please check the member's specific benefit to identify if a particular service is covered.** If a service is not covered, member liability is appropriate when notice of non-coverage is provided to the member prior to service delivery. To bill the member if submitting a claim for such services, physicians' offices must submit claims with a GA modifier to demonstrate to UnitedHealthcare that they have informed the member of the non-covered service, and that the member has agreed to take responsibility for charges related to the service."

In a nutshell, UnitedHealthcare is notifying providers that if they do not check a patient's benefits prior to rendering services, there is an increased likelihood that they will not cover the service and the patient cannot be held liable. This translates to providing services for free.

NCDS highly recommends providers call the insurance prior to rendering services, regardless of the insurance carrier, first to check if the patient is eligible for coverage under the insurance card provided, and second to check benefits for services being rendered. Implementing this simple and fast process at your front desk can mean the difference in thousands in your annual reimbursement.

MEDICARE, MEDICAID CUTS MAY BE PART OF AVERTING FISCAL CLIFF

HEALTHCARE AND FINANCE NEWS

Expectations are high. President Barack Obama and House Speaker John Boehner, R-Ohio, say they want to avert the fiscal cliff, that toxic mix of expiring tax breaks and automatic spending reductions set to begin in January. If Republicans make concessions on taxes, Democrats and the president say, they'll move on entitlements, such as Medicare and Medicaid, as part of a larger deal to reduce the federal deficit. But we've been here before. Bipartisan coalitions have produced numerous ideas on how to change entitlements and taxes, but the recommendations go nowhere.



"Definitely the term 'entitlement reform,' as I always say, rolls off the tongue so easily," said G. William Hoagland, senior vice president of the Bipartisan Policy Center and a former staff director of the Senate Budget Committee and a top budget aide to former Senate Majority Leader Bill Frist, R-Tenn. "It's hard to get any savings in (Medicare and Medicaid) unless we're talking about a reduction in benefits or a reduction in reimbursement rates."

"When you get beyond the rhetoric, it's going to be very difficult," he said.

Lawmakers are wrestling with finding a balance between asking beneficiaries to pay more for Medicare services and reducing payments to Medicare providers, such as hospitals and nursing homes. Those providers, who are already expecting their Medicare payments to grow at a slower rate over the next decade as part of the 2010 health law, likely would fight additional cuts. And beneficiaries, many who are on fixed incomes, will not want to pay more for Medicare.

Either decision could have sweeping effects on the program. "You don't just get to turn a dial and have it not resonate, We need to think about our risk pool, we need to think about how the program works," said a Democratic staffer on the Senate Finance Committee.

Experts maintain that changes in entitlements are bound to be part of any "grand bargain" to reduce the deficit. "It is hard to imagine a deal without Medicare savings," said Tricia Neuman, director of the Kaiser Family Foundation's Program on Medicare Policy (KHN is an editorially independent program of the foundation.)

Medicaid is also expected to be a part of the mix, but to a lesser extent, analysts say. The Supreme Court's ruling made the health law's Medicaid expansion optional for states, so there's concern that any additional reductions in federal Medicaid spending might make governors even more reluctant to expand the federal-state program. And as the nation continues to recover from the recession, some Democrats are reluctant to cut the program, which serves more than 60 million low-income Americans.

Here's a look at some of the Medicare changes that could be in the mix:

- Cap Federal Healthcare Spending
- Reduce Payments to Providers
- Raising Medicare's Eligibility Age
- "More Skin in the Game"
- Changing Medicare's Deductible and Medigap Coverage

To read the complete article please visit the following:
<http://www.healthcarefinancenews.com/news/medicare-medicaid-cuts-may-be-part-averting-fiscal-cliff>