MLN Matters®
Information for Medicare Fee-for-Service Health Care Professionals

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MLN Matters® Number: MM6358

Related Change Request (CR) #: 6358

Related CR Release Date: May 1, 2009

Effective Date: January 1, 2008

Related CR Transmittal #: R488OTN

Implementation Date: October 5, 2009

Processing and Payment of Physician and Non-Physician Practitioner Services Reassigned to Ambulatory Surgical Centers (ASCs)

Provider Types Affected

Physicians and Non-Physician Practitioners submitting claims to Medicare contractors (carriers or A/B Medicare Administrative Contractors (A/B MACs)) for services provided to Medicare beneficiaries.

Provider Action Needed

STOP – Impact to You

This article is based on Change Request (CR) 6358 which instructs Medicare Contractors to modify their systems to correctly accept, process, and provide payment for physician and non-physician practitioner services reassigned to Ambulatory Surgical Centers (ASCs).

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CAUTION – What You Need to Know

ASCs, that have entered into reassignment agreements with physician or non-physician practitioners, and whose reassignment has been approved by the Centers for Medicare & Medicaid Services (CMS) through the form CMS-855R, may bill for and receive payment for reassigned physician and non-physician practitioner professional services. CR 6358 instructs Medicare Contractors to modify their systems to correctly accept and process reassignment claims from ASCs, and reprocess valid reassignment claims brought to their attention for dates of service on or after January 1, 2008 that were not previously paid to either the ASC or the physician/non-physician practitioner.

GO – What You Need to Do

See the Background and Additional Information Sections of this article for further details regarding these changes.

Background

The Social Security Act Section 1842(b)(6) (see *http://www.ssa.gov/OP_Home/ssact/title18/1842.htm* on the internet) states in part, that no payment for a service may be made to anyone other than the physician or other person who provided the service, unless one of the exceptions to the prohibition on reassignment is met.

When applicable, physicians and non-physician practitioners may reassign their right to bill and receive payment to an ASC if they meet the reassignment exceptions in Title 42 of the Code of Federal Regulations (CFR) Section 424.80 (see *http://edocket.access.gpo.gov/cfr_2005/octqtr/pdf/42cfr424.82.pdf* on the internet), and the Medicare Claims Processing Manual (Chapter 1, Sections 30.2.6, and 30.2.7; see *http://www.cms.hhs.gov/manuals/downloads/clm104c01.pdf* on the CMS website).

ASC payment system updates were provided by:

- Change Request (CR) 5572 (Transmittal R1245CP, May 18, 2007), and
- CR 5680 (Transmittal R77BP, August 29, 2007) which is available at *http://www.cms.hhs.gov/transmittals/downloads/R77BP.pdf* on the CMS website.

However, the system updates made to the ASC payment system by CR 5572 and CR 5680 did not include necessary system provisions to correctly process claims

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for physician and non-physician practitioners who reassign benefits to ASCs under the ASC payment system for Dates of Services on or after January 1, 2008. CR 6358 remedies that problem and Medicare Contractors will accept and process reassignment claims from ASCs. Also, Medicare contractors will reprocess valid reassignment claims brought to their attention for dates of service on or after January 1, 2008 that were not previously paid to either the ASC or the physician/non-physician practitioner.

Note: Medicare requires a valid reassignment application(s) to be on file with Medicare contractors in order to pay ASCs for physician or non-physician practitioner services.

Additional Information

The official instruction, CR 6358, issued to your carrier and A/B MAC regarding this change may be viewed at *http://www.cms.hhs.gov/Transmittals/downloads/R488OTN.pdf* on the CMS website.

If you have any questions, please contact your carrier or A/B MAC at their toll-free number, which may be found at *http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip* on the CMS website.

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