

April Website Updates

Accomplishments

April 3, 2006: Medicare Advantage Rates

CMS announced an average Medicare Advantage rate increase of approximately 4 percent for 2007. The average rate increase is the result of several factors used to determine annual increases in Medicare Advantage payment rates, including the current year growth in Medicare costs for all Medicare beneficiaries of 3.6 percent (mainly due to growth in costs for beneficiaries in fee-for-service Medicare) and the phase-out of the “budget neutrality” adjustment in Medicare Advantage payments. These factors are described in more detail at <http://www.cms.hhs.gov/MedicareAdvtgSpecRateStats/>.

April 5, 2006: MMA Section 302 - Conditions for Coverage for Payment of Power Mobility Devices, Including Powered Wheelchairs and Power Operated Vehicles

CMS published a final rule (CMS-3017-F) that expands who can prescribe a power mobility device when it is necessary for the beneficiary’s medical condition. MMA Section 302 expanded the list of practitioners who can prescribe POVs and requires a face to face examination of the beneficiary.

April 7, 2006: MMA Section 945 - Emergency Medical Treatment and Labor Act (EMTALA) Technical Advisory Group

CMS published a notice (CMS-1269-N7) announcing a meeting of the EMTALA Technical Advisory Group for May 2 and 3, 2006. MMA Section 945 required the establishment of a 19 member technical advisory group to review EMTALA regulations, provide advice and recommendations to the Secretary regarding those regulations, solicit comments and recommendations regarding the implementation of regulations, and disseminate information regarding the application of such regulations.

April 7, 2006: MMA Section 703 - Demonstration Project for Medical Adult Day Care Services

CMS issued a manual issuance (CR4381) that provides additional billing guidance for Home Health Agency sites for this demonstration project, required by MMA Section 703.

April 14, 2006: MMA Section 410A- Rural Community Hospital Demonstration Program

CMS issued a manual issuance (CR 5020) that provides a method of cost settlement for inpatient services for rural hospital participating in this demonstration. This is required by MMA Section 410A of the MMA. The provision establishes a 5-year demonstration program to test the advisability and feasibility of establishing rural community hospitals (RCHs).

April 21, 2006: MMA Section 703 - Demonstration Project for Medical Adult Day Care Services

CMS announced the implementation of the Medical Adult Day Care Services Demonstration, which encourages Home Health Agencies (HHA’s) to partner with Medical Adult Day Care Facilities (MADCF’s) to provide medical adult day-care services to Medicare beneficiaries as a substitute for a portion of home health services

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otherwise provided in the home. Participation of Medicare beneficiaries is voluntary and up to 15,000 beneficiaries at any one time will be eligible to enroll in the three-year demonstration, which is expected to begin in June 2006. This is required by Section 703 of the MMA.

What to Expect

Final Rule: MMA Section 936(b)(1) - Requirements for Establishing and Maintaining Medicare Billing Privileges and Provider Enrollment Process

This final rule (CMS-6002-F) is needed as part of the Administration's anti-fraud and abuse efforts. It gives CMS the authority to enroll and re-enroll providers, with time frames for re-enrollment. The rule also responds to comments received on the proposed rule and implements section 936 of the MMA, which establishes deadlines for action on enrollments and renewals.

Targeted Release: Second Quarter of CY 2006

Proposed Rule: MMA Section 302- Competitive Acquisition for Certain Durable Medical Equipment (DME) Prosthetic, Orthotics, and Supplies (CMS-1270-P)

This proposed rule would create national competitive bidding that will provide a program for using market forces to set Medicare payment amounts. It will also create incentives for suppliers to provide quality items and services, while at the same time providing Medicare with reasonable prices for payment.

Targeted Release: Second Quarter of CY 2006

Notice: MMA Section 942 -Public Meeting for New Clinical Laboratory Tests

This notice (CMS-1324-N) announces a public meeting on 7/17/06 to discuss payment determinations for specific new Physicians' Current Procedural Terminology (CPT) codes for clinical laboratory tests. The meeting provides a forum for interested parties to make oral presentations and submit written comments on the new codes that will be included in Medicare's clinical laboratory fee schedule for CY 2007. The discussion will be directed toward technical issues relating to payment determinations for a specified list of new clinical laboratory codes.

Targeted Release: Second Quarter of CY 2006