
CMS Manual System

Pub. 100-06 Medicare Financial Management

**Department of Health & Human Services (DHHS)
Centers for Medicare & Medicaid Services (CMS)**

Transmittal 65

Date: FEBRUARY 25, 2005

CHANGE REQUEST 3673

SUBJECT: Revised Reporting Requirements for Contractor Reporting of Operational Workload Data (CROWD) Physician Scarcity Area (PSA) Quarterly Report (CMS Form-1565F, CROWD Form 6)

SUMMARY OF CHANGES: Section 413a of the Medicare Prescription Drug, Improvement and Modernization Act (MMA) requires that a new 5% bonus payment be established for physicians in designated physician scarcity areas. Physician scarcity designations will be based on the lowest primary care and specialty care ratios of Medicare beneficiaries to active physicians in every county. In addition, based on rural census tracts of metropolitan statistical areas identified through the latest modification of the Goldsmith Modification (i.e., Rural-Urban Commuting Area Codes), additional physician scarcity areas will be identified based on the lowest primary care and specialty care ratios of Medicare beneficiaries to active physicians in each identified rural census area.

Medicare will automatically pay this new bonus on a quarterly basis without the need for a modifier on the claim for services provided in zip code areas that fully fall within a county designated as a PSA, partially fall within a county designated as a PSA and are considered to be dominant for that county based on a determination by the United States Postal Service, or fall within a rural census tract of a metropolitan statistical area identified through the latest modification of the Goldsmith Modification that is determined to be a PSA.

In some cases, a service may be provided in a county that is considered to be a PSA, but the zip code is not considered to be dominant for that area. The bonus payment cannot be automatically made. In order to receive the bonus for those areas, physicians will need to include the new "AR" physician scarcity modifier on the claim. Therefore, we will use the CROWD Form 1565F, CROWD Form 6 report to reflect the total number of physicians receiving checks and the total amount of bonus payments made in designated PSA areas.

NEW/REVISED MATERIAL - EFFECTIVE DATE*: July 1, 2005
IMPLEMENTATION DATE: July 5, 2005

Disclaimer for manual changes only: The revision date and transmittal number apply to the red italicized material only. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual not updated.)
(R = REVISED, N = NEW, D = DELETED) – (Only One Per Row.)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	6/Table of Contents
N	6/290.7/Completing Physician Scarcity Area (PSA) Quarterly Report Form CMS 1565F, CROWD Form 6
N	6/290.7.1/Physician Scarcity Area (PSA) Quarterly Report, Line Descriptors
N	6/290.7.2/Error Descriptors
N	6/290.8/Checking Reports

III. FUNDING: Medicare contractors shall implement these instructions within their current operating budgets.

IV. ATTACHMENTS:

X	Business Requirements
X	Manual Instruction
	Confidential Requirements
	One-Time Notification
	Recurring Update Notification

Attachment – Business Requirements

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SUBJECT: Revised Reporting Requirements for Contractor Reporting of Operational Workload Data (CROWD) Physician Scarcity Area (PSA) Quarterly Report (CMS Form-1565F, CROWD Form 6)

I. GENERAL INFORMATION

A. Background: Carriers shall prepare and submit to CMS reports on information regarding incentive payment status made to physicians who render covered Medicare services in Physician Scarcity Areas (PSA) (See Pub. 100-4 Section 90.5-90.5.7). The reports will be based on the results of the post payment review of sample claims submitted for PSA incentive payments each reporting quarter. They will submit this report via the CROWD system no later than the 75th day following the close of the reporting quarter. The CROWD Form 1565F, CROWD Form 6 report is utilized to reflect the total number of bonus payments made in the PSA designated area.

B. Policy: Section 413(a) of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) requires that a new 5% bonus payment be established for physicians in designated physician scarcity areas. Physician scarcity designations will be based on the lowest primary care and specialty care ratios of Medicare beneficiaries to active physicians in every county. In addition, based on rural census tracts of metropolitan statistical areas identified through the latest modification of the Goldsmith Modification (i.e., Rural-Urban Commuting Area Codes), additional physician scarcity areas will be identified based on the lowest primary care and specialty care ratios of Medicare beneficiaries to active physicians in each identified rural census area.

Medicare will automatically pay this new bonus on a quarterly basis without the need for a modifier on the claim for services provided in zip code areas that fully fall within a county designated as a PSA, partially fall within a county designated as a PSA and are considered to be dominant for that county based on a determination by the United States Postal Service, or fall within a rural census tract of a metropolitan statistical area identified through the latest modification of the Goldsmith Modification that is determined to be a PSA.

In some cases, a service may be provided in a county that is considered to be a PSA, but the zip code is not considered to be dominant for that area. The bonus payment cannot be automatically made. In order to receive the bonus for those areas, physicians will need to include the new “AR” physician scarcity modifier on the claim. Therefore, we will use the CROWD Form 1565F, CROWD Form 6 report to reflect the total number of physicians receiving checks and the total amount of bonus payments made in designated PSA areas.

C. Provider Education: None.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
3673.1	CMS shall create a new CROWD report to capture PSA reimbursement information.									CROWD System Maintainers
3673.2	Carriers shall complete the PSA CROWD report based on Chapter 6 Section 290.7 of the Medicare Financial Management Manual			X						
3673.3	Effective with the first quarterly report, carriers shall fill out their 1 st report by 75 days after July 1, using the 2nd quarter data.			X						
3673.4	Carriers shall report the total number of physicians and amount of incentive payments made to physicians rendering services in PSAs.			X						
3673.5	Carriers shall only review claims that received bonuses based on the use of the "AR" modifier.			X						
3673.6	Carriers shall report the total number of physicians and amount of incentive payments made to physicians rendering services in PSAs.			X						

III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

IV. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date: July 1, 2005</p> <p>Implementation Date: July 5, 2005</p> <p>Pre-Implementation Contact(s): Bridgitte Davis 6-4573, Cynthia Glover 6-2589</p> <p>Post-Implementation Contact(s): Appropriate Regional Offices</p>	<p>Medicare contractors shall implement these instructions within their current operating budgets.</p>
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***Unless otherwise specified, the effective date is the date of service.**

Medicare Financial Management Manual

Chapter 6 - Intermediary and Carrier Financial Reports

(Rev. 65, 02-25-05)

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*290.7 – Completing Physician Scarcity Area (PSA) Quarterly Report
Form CMS 1565F, CROWD Form 6*

*290.7.1 – Physician Scarcity (PSA) Quarterly Report, Line
Descriptors*

290.7.2 – Error Descriptors

290.8 – Checking Reports

290.7 - Completing Physician Scarcity Area (PSA) Quarterly Report, Form CMS-1565F, CROWD Report 6

(Rev. 65, Issued: 02-25-05; Effective: 07-01-05; Implementation: 07-05-05)

The Carriers prepare and submit to CMS each quarter a report on information regarding incentive payments made to physicians who render covered Medicare services in PSA (see Pub. 100-4, Chapter 12, Section 90.5 – 90.5.7) on the results of its review of sample claims for PSA incentive payments processed during the reporting quarter. Carriers shall only review claims that received bonuses based on the use of the “AR” modifier. Carriers shall submit this report via the Contractor Reporting of Operational Workload Data (CROWD Form 1565F, CROWD Form 6) system no later than the 75th day following the close of the reporting quarter.

290.7.1 – Physician Scarcity Area (PSA) Quarterly Report, Line Descriptors

(Rev. 65, Issued: 02-25-05; Effective: 07-01-05; Implementation: 07-05-05)

The carrier reports in lines 1-3 the number of physicians receiving incentive payment checks during the current reporting quarter and in lines 4-6 the respective amounts of payment issued.

Carrier shall report data on Form CMS –1565F, CROWD Form 6 according to the data described below:

Physicians Receiving Checks:

Line 1 = Total of all physicians who received PSA bonus for the quarter

Line 2 = Total of physicians who received the PSA bonus via automated payment

Line 3 = Total of physicians who received the PSA bonus for claims reporting the “AR” modifier

Amount of Incentive Payments:

Line 4 = Total of All PSA incentive payments paid for the quarter

Line 5 = Total of PSA incentive payments paid for automated payments

Line 6 = Total of PSA incentive payments paid for claims reporting the “AR” modifier

Current Quarter Reviews:

Line 7 = Number of physicians reviewed

Line 8 = Number of physicians paid incorrectly

Line 9 = Number of claims reviewed

Line 10 = Number of claims paid incorrectly

Line 11 = Total incentive amount paid incorrectly

Prior Quarter(s) Review:

Line 12 = Number of physicians reviewed

Line 13 = Number of physicians reviewed that have been noncompliant for 2 quarters

*Line 14 = Number of physicians reviewed that have been noncompliant for 3 quarters
Line 15 = Number of physicians reviewed that have been noncompliant for 4+ quarters
Line 16 = Number of claims reviewed
Line 17 = Number of claims paid incorrectly
Line 18 = Total incentive amount paid incorrectly*

290.7.2 - Error Descriptors:

(Rev. 65, Issued: 02-25-05; Effective: 07-01-05; Implementation: 07-05-05)

This report breaks down the number of claims found to be paid incorrectly by selected error categories for "Current Quarter Reviews" and "Prior Quarter(s) Reviews". Claims counts reported in lines 19-30 under the "Number of Claims Current Quarter" column should total to the number reported in line 10. Similarly, claims counts reported in lines 19-30 under the "Number of Claims Prior Quarter(s)" column should total to the number reported in line 17. In a case where the claim could fall into more than one category, the carrier makes a determination as to which category to put the claim in. Each claim incorrectly receiving a PSA incentive payment should be counted only once under the "Error Descriptions" section.

Carriers shall show # of claims in column 1 for current quarter and column 2 for prior quarters for all lines below):

*Line 19 = Office in, Service outside of PSA
Line 20 = Office outside, Service outside of PSA
Line 21 = Multi-Office, Service Not-PSA Office
Line 22 = Bene. In PSA, Service outside of PSA
Line 23 = Prov. Code Prior to Eff. Date of PSA
Line 24 = Service Area no Longer PSA
Line 25 = Non-Physician Practitioner
Line 26 = Non-Physician Service
Line 27 = Carrier Provided Incorrect Info.
Line 28 = Carrier Published Incorrect Notice
Line 29 = Carrier Keying/Processing Error
Line 30 = Other*

290.8 - Checking Reports

(Rev. 65, Issued: 02-25-05; Effective: 07-01-05; Implementation: 07-05-05)

Before submitting Form -- to CMS, the carrier checks for completeness and arithmetical accuracy. It uses the following checklist:

- Line 2 plus line 3 must equal line 1. Effective with the first quarterly report of 2005, that is due no later than 75 days after the close of the first calendar quarter of 2005.*
- Line 5 plus line 6 must equal line 4. Effective with the first quarterly report of 2005, that is due no later than 75 days after the close of the first calendar quarter of 2005.*

- *Line 8 must be less than or equal to line 7.*
- *Line 9 must be greater than or equal to line 7.*
- *Line 10 must be less than or equal to line 9.*
- *Line 13 plus line 14 plus line 15 must be less than or equal to line 12.*
- *Line 16 must be greater than or equal to line 12.*
- *Line 17 must be less than or equal to line 16.*
- *Sum of lines 19-30, column 1 must equal line 10.*
- *Sum of lines 19-30, column 2 must equal line 17.*