



Claims Processing Update from CMS -- Information Regarding the Medicare Access and CHIP Reauthorization Act of 2015

On April 14 , 2015, Congress passed the Medicare Access and CHIP Reauthorization Act of 2015; the President is expected to sign it shortly. This law eliminates the negative update of 21% scheduled to take effect as of April 1, 2015, for the Medicare Physician Fee Schedule. In addition, provisions allowing for exceptions to the therapy cap, add-on payments for ambulance services, payments for low volume hospitals, and payments for Medicare dependent hospitals that expired on April 1 have been extended. CMS will immediately begin work to implement these provisions.

In an effort to minimize financial effects on providers, CMS previously instituted a 10-business day processing hold for all impacted claims with dates of service April 1, 2015, and later. While the Medicare Administrative Contractors (MACs) have been instructed to implement the rates in the legislation, a small volume of claims will be processed at the reduced rate based on the negative update amount. The MACs will automatically reprocess claims paid at the reduced rate with the new payment rate.

No action is necessary from providers who have already submitted claims for the impacted dates of service.