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Senate Votes to Override Veto on H.R. 6331

The U.S. Senate voted on Tuesday, July 15th to override the President's veto of H.R. 6331, the "Medicare Improvements for Patients and Providers Act of 2008." The final vote was 70-26, more than the required two-third majority of the Senators present. Once again, all those who voted against the override were Republicans. This truly was a bipartisan effort to preserve patient access to care. H.R. 6331 will now become law.

The legislation specifies that the 0.5 percent payment update for the remainder of 2008 becomes effective July 1, so the 10.6 percent cut that was to be reflected in claims paid this week will be cancelled (although payments made in the immediate future for services provided on or after July 1 will include the cut). The most current information available on claims processing and payment adjustment issues is posted on the home page of the AMA's web site, at www.ama-assn.org and will be updated as more details become available.

CMS Information on Medicare Claims Processing

The following information has been provided by CMS. Additional information on claims processing under the new rate will be provided as it is received.

As a result of the the passage of HR 6331, the mid-year 2008 Medicare Physician Fee Schedule (MPFS) rate reduction of -10.6 percent is retroactively replaced with the fee schedule rates in effect from January – June, 2008, which reflected a 0.5 percent update from 2007 rates. In addition, MPFS payment rates are being revised to increase the fee schedule amounts for certain mental health services.

Effective immediately, CMS has instructed its contractors to implement the new law. However, it may take up to 10 business days to implement these changes. To minimize physician disruption during this transition, CMS will post the new physician fee schedule as soon as possible and will continue its rolling 10 day hold and release of claims. This means that, until the new fee schedule rates are implemented, some claims may still be paid at the lower rates that were in effect between July 1st and July 15th. To the extent possible, contractors will begin to automatically reprocess any claims paid at the lower rates in a timely manner. CMS will issue guidance about the collection of corrected co-insurance payments in the next few days.

More information on physician pay issues is available at <http://www.cms.hhs.gov/PhysicianFeeSched/>