

NOA 3rd Party Newsletter



SURETY BOND UPDATE SINCE LAST ISSUE OF THE AOA NEWS

Nebraska Optometric Association

Volume 9, Issue 10

NEW! Change in OD Requirements for DME Surety Bonds?

The National Supplier Clearinghouse (NSC) has published a question and answer page regarding surety bonds. Question No. 46, below, addresses optometry and ophthalmology, and requires a surety bond if an OD fills an outside Medicare Rx.

The same general principle applies to an enrolled optical center owned by an optometrist or ophthalmologist. The center can only qualify for the physician exemption only if: (1) the shop and the physician's practice are under/within the same TIN [taxpayer identification number] and business structure (e.g., part of the same corporation), and (2) the glasses are furnished only to the optometrist/ophthalmologist's own patients as part of his/her own service. The term "patient," again, would not include a person who enters the optical center with a prescription for glasses that was issued by another physician and simply receives the glasses without any sort of examination or test being performed by the optical center.

Source:

<http://www.nsc-clearinghouse.com/qa/46.htm>

Therefore an OD would need to obtain a surety bond if s/he wishes to fill an outside Rx for a Medicare post-op correc-

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Special points of interest:

- NSC Surety Bond Requirements Change for ODs. Pg. 1-3.
- Medicaid Updates Fee Schedule Pg. 1.
- Changes in Medicare HPSA Bonus Payments P.4.
- WPS Retires some Local Coverage Determinations affecting Optometry P.4.
- PC-ACE software updates again. P.4.
- Using C-SNAP to Check Medicare Patient Eligibility P. 6.

Q: How does an optometrist or ophthalmologist who dispenses eyeglasses qualify for the physician exemption?

A: An optometrist or ophthalmologist who dispenses eyeglasses can qualify for the physician exemption if the glasses are furnished only to his/her own patients as part of his/her own service. For purposes of this exemption, a "patient" is someone who, for instance, receives an eye exam or other diagnostic test from the physician prior to receiving the glasses. The term "patient" does not include, however, a person who walks into the physician's office with a prescription for glasses that was issued by another physician and simply receives the glasses without any sort of examination or test being furnished.

Medicaid: Changes to Visual Care Services Fee Schedule

Medicaid recently announced updates to Visual Care Services Fee Schedule retroactive to July 1, 2009. The fee schedule, found in section 471-000-524, can be found on the Internet at

<http://www.dhhs.ne.gov/reg/appx/471-000-524.pdf>

The applicable Visual Care Provider Handbooks have also been updated. The provider handbooks for vision can be found at

<http://www.dhhs.ne.gov/med/phvis.htm>

How to Determine the Fee Allowable:

1. Locate the procedure code. Procedure codes are listed numerically. The online PDF format has a search feature which will bring you directly to the code you wish to view.
2. The dollar amount listed is the fee schedule allowable. Further calculations are no

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DME Surety Bond not necessary in some cases....

The likelihood of PаметtoGBA NSC modifying their current stance, at the request of the AOA, is unknown.

Based on current NSC requirements, if you fill Medicare post-op RXs written by a provider outside of your office, you will need a surety bond by October 2nd.

Other situations requiring ODs to obtain bonds also exist.

(Continued from page 1)

tion.

The AOA is in contact with CMS regarding this requirement, and hopefully will have additional information regarding surety bonds sometime in the near future. The likelihood of PаметtoGBA NSC modifying their current stance is unknown.

Time is growing short since the deadline for the PаметtoGBA NSC surety bond requirement is October 2nd. If your office does fill outside RXs for Medicare post-op prescriptions, and wishes to continue to do so, you might want to research the possibility of obtaining a surety bond.

Dr. Quack knows nothing about surety bonds. However, when checking the BBB web site regarding surety bonds in Nebraska, a number of sources were listed, including their BBB rating. If you do not personally have a resource for a surety bond, and you are stumped as to how to proceed, you might find the BBB web site helpful. This is how featherbrained Dr. Quack proceeded:

- Go to <http://nebraska.bbb.org/Business-Search/>
- Click on "Check out a business or Charity"
- Under type of business, chose "Bonds-Surety or Fidelity"
- Under Location, enter your zip code (Dr. Quack used "Lincoln, Nebraska"). Results are given within 500 miles.
- Click on "BBB Accreditation" to learn specifics on each business listed, and to see how the BBB rates the company

The following (earlier) surety bond information may also pertain to your office:

The following information was parsed from an earlier articles on the AOA website, posted prior to the PаметtoGBA information found in the previous paragraphs. Dr. Quack has interspersed his [bracketed com-

ments] to update the following information.

The AOA has learned that [many] optometrists can ignore [the PаметtoGBA] letter [to obtain surety bonds] but should not ignore any future communication from the National Supplier Clearinghouse (Palmetto) or CMS that requires a response "within 30 days."

The Centers for Medicare & Medicaid Services (CMS) re-confirmed to AOA that practicing optometrists are exempt from the surety bond requirement [as long as they do not fill outside Medicare post-op prescriptions]....

Palmetto, as the NSC, will be sending a list serve reminder to all suppliers within a week reiterating that optometrists are currently exempt despite what the recent letter suggested. [However, at press time, this exemption does not apply if you are filling outside Medicare post-op prescriptions.]...

Complicating Factors

Optometrists might want to check their Medicare DMEPOS enrollment form (855S) and their practice or business model for potential issues. Optometrists who have atypical business arrangements may want to carefully review their practice to determine whether the bond requirement might apply to them.

1.As long as the supplier is a practicing optometrist or a group of optometrists in which the ODs are the owners and are billing for the glasses themselves or through the company, the business arrangement should be exempt [with the exception of outside RXs]. However, if the business is owned by a company, such as Pearle Vision, and the business (not the individual optometrist) is enrolled as the supplier, then the business might need to have a surety bond and/or accreditation.

2.An optometry practice that employs

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DME Surety Bond not necessary in some cases....

(Continued from page 2)

opticians is exempt as long as the opticians do not have their own DMEPOS billing numbers. The surety bond exemption does not extend to opticians who are enrolled as Medicare suppliers. If an enrolled optician is employed by an optometry practice, then the entire practice might need a surety bond.

3. An optometry practice that did not check "optometrist" or "physician" on the 855S supplier enrollment form may need to respond to the recent Palmetto letter and certainly should respond to any subsequent notification demanding a response within 30 days. In these cases, the practice should respond as instructed in the letter and inform the NSC whether the business is an optometry practice that is exempt from the surety bond and/or accreditation requirement.

4. If an optometry practice supplies any DMEPOS items to Medicare beneficiaries other than post-cataract eyeglasses, then the practice will need to get a surety bond and accreditation. For example,

supplying diabetic test strips or wheelchairs.

To summarize for members:

- If you checked any box on the 855S supplier enrollment form in addition to "optometrist" or "physician" then you probably received the recent letter because of the other supplier type that was checked. You can ignore this notice from Palmetto [unless you fill outside RXs].
- If you did not check "optometrist" or "physician" on the 855S supplier enrollment form, then you probably received the recent letter because of the other supplier type(s) that was checked instead. You might want to notify Palmetto about your practice arrangement and whether exemption applies to you.
- If you receive any other notice from CMS or the NSC demanding a response within 30 days, then you should answer that letter before the deadline!

Source: <http://www.aoa.org/x13414.xml>

Thus, as Dr. Quack understands it at



Based on information available at press time, if you fill outside RXs for Medicare Post-op patients, you must obtain a \$50,000 Surety Bond before October 2, 2009

Updated Medicaid Reimbursement....

(Continued from page 1)

longer required.

3. PAYMENT IS THE LOWER OF THE FEE SCHEDULE ALLOWABLE OR THE PROVIDER'S SUBMITTED CHARGE. The provider's submitted charge must reflect their charge to the general public.

4. SPECIAL PRICING.

Some procedure codes will have actual dollar amounts listed. The dollar amount listed is the fee schedule allowable. No further calculations are required.

"BR" (By Report) – Paid at "reasonable charge" based on the service and circum-

stances. A complete description of the service (and additional documentation, if applicable) is required for review.

"RNE" (Relative Value/Rate Not Established) – Paid at 'reasonable charge' based on the service and circumstances.

"IC" (Invoice Cost) – Paid at invoice cost. An invoice must be submitted with the claim. Some of these services may also have an associated maximum allowable and will be reimbursed at the lower of invoice cost or maximum allowable.

<http://www.dhhs.ne.gov/med/471-000-524-09.pdf>



Changes to the Visual Care Section of Medicaid has been announced.

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2010 Annual Update for the Health Professional Shortage Area (HPSA) Bonus Payments

Source: <http://www.wpsmedicare.com/j5macpartb/publications/communique/current/files/0909comm.pdf>



You will find the annual HPSA bonus payment file and other important HPSA information on the CMS Website.

The Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA) (Section 413(b)) mandated that the automated HPSA bonus payment files be updated annually. CMS will create a new automated HPSA bonus payment file for claims with dates of service on or after January 1, 2010, through December 31, 2010 and post it to the Website in early December of 2009.

You will find the annual HPSA bonus payment file and other important HPSA information on the CMS Website at

<http://www.cms.hhs.gov/hpsapsaphysicianbonuses/>

. You should also review the CMS Website to determine whether a HPSA bonus will automatically be paid for services provided in your ZIP code area or whether a modifier must be submitted. You can determine if you are eligible for the automated payment by going to

<http://www.cms.hhs.gov/HPSAPSAPhysicianBonuses/Downloads/instructions.pdf>

on the CMS Website and following the instructions on the page.

When a LCD is retired, the provider no longer has a source upon which to depend when coding and billing for those services.

WPS Retires Some Local Coverage Determinations

The Wisconsin Physician Services J5 MAC September *Communique* announced that the following Local Coverage Determinations (LCDs) are being retired effective 09/1/2009:

LCD ID Number —Title

- L26666 —Extended Ophthalmoscopy
- L26712 —Fundus Photography
- L26673 —YAG Capsulotomy

Source:

<http://www.wpsmedicare.com/j5macpartb/publications/communique/current/files/0909comm.pdf>

Quack Note: LCDs are carrier developed coverage policies containing coding and utilization guidelines as well as descriptive passages. They are developed for various rea-

sons, some of which are:

1. To define the appropriate use of new technologies.
2. To address services with an abuse history or potential.
3. High volume, high dollar services.

When a LCD is retired, the provider no longer has a source upon which to depend when coding and billing for those services, but ostensibly s/he is no longer limited by those LCD guidelines.

WPS LCDs can be found at:

<http://www.wpsmedicare.com/j5macpartb/policy/>

PC-ACE PRO-32 Software Upgrades Again

If you are currently using the PC-Ace Pro32 billing software, you can now download the latest upgrade online. You can download this information from the WPS EDI Website:

<http://www.wpsic.com/edi/pcacepro32.shtml>

Now available on-line are:

- The upgrade to the latest version of PC-Ace, version 2.14

- Instructions related to the upgrade
- User guides/manuals

If you are not using the version listed above, it is very important that you update your software immediately.

Source:

<http://www.wpsmedicare.com/j5macpartb/publications/communique/current/files/0909comm.pdf>



Enhancements/Updates to NPPES

Security enhancements to the NPPES Web site include secret questions and password updates.

NPPES Web users will be required to select five secret questions and answers. Upon implementation of this enhancement and upon successful login, NPPES Web users will be prompted to select five secret questions and provide answers to those questions. These five secret questions and answers will be saved and used for verification in order to allow NPPES Web users to reset their own passwords.

NPPES Web users will be prevented from changing their passwords more than once within 24 hours from the last password update. Upon implementation of this enhancement, NPPES Web users will be required to wait 24 hours before attempting to change their passwords once they have already successfully reset their passwords.

Electronic File Interchange (EFI)

In addition, the EFI User Manual and Technical Companion Guide have been revised. The upcoming changes will not impact the EFI XML Schema.

Additional Information

Health care providers can apply for an NPI

online at <https://nppes.cms.hhs.gov>.

Health care providers needing assistance with applying for an NPI or updating their data in NPPES records may contact the NPI Enumerator at 1-800-465-3203 or email the request to the NPI Enumerator at

CustomerService@NPIEnumerator.com.

Not sure if you have already obtained an NPI or cannot remember your NPI, you can visit the NPI Registry at

<https://nppes.cms.hhs.gov/NPPES/NPIRegistryHome.do>

to search for the information. The NPI Registry enables you to search for a provider's NPPES information, which includes the NPI. All information displayed in the NPI Registry is done so in accordance with the NPPES Data Dissemination Notice. Information in the NPI Registry is updated daily. You may run simple queries to retrieve this read-only data. For example, users may search for a provider by the NPI or Legal Name/Legal Business Name. There is no charge to use the NPI Registry.

Visit CMS' dedicated NPI Web page at

<http://www.cms.hhs.gov/NationalProviderStand>

for additional NPI education and information.



Security enhancements to the NPPES Web site include secret questions and password updates.

From the AOA: CCHIT Certification for OD EHRs

From the AOA News:

EHRs must be certified by the Certification Commission for Health Information Technology (CCHIT) in order to be used with the government's planned National Health Information Network (NHIN), which is slated to become operational in 2014. Over the past two years, the commission has set certification standards for several types of EHRs. However, the commission has not been planning on certifying any eye care EHRs before 2011. At the urging of the AOA and ophthalmology groups, commission officials recently indicated they might push eye care EHR certification forward to mid-2010.

In addition, the commission on Sept. 8 launched a new dual-track certification program under which its established CCHIT certifications will be offered along with new "ARRA-specific" certifications designed to more quickly provide health care practitioners with EHRs that

will meet the requirements for the federal incentives. The ARRA certifications will be used mostly for records that do not fall into one of the commission's established EHR classifications.

The AOA Advocacy Group is urging the commission to include eye care when it announces additional CCHIT certifications in June 2010. However, even if it does not, eye care EHRs could probably be approved using the ARRA criteria, the AOA Advocacy Group staff says. Either way, certified eye care EHRs could be on the market in the coming months, the AOA Advocacy Group notes.

The AOA does not recommend specific EHR programs but will offer updated guidance for association members on how to choose an EHR product (see the AOA Web site Health Information Technology page at www.aoa.org/HIT.xml).

EHRs

and

CCHIT

NOA 3rd Party Newsletter



WPS Medicare offers a FREE Web-based application that allows Medicare providers to check claim status and patient eligibility securely over the Internet.

Use C-SNAP to Check Claim Status & Patient Eligibility

From WPS: Discover the ease of checking claim status and patient eligibility online using the CMS Secure Net Access Portal (C-SNAP).

Are you aware that WPS Medicare offers a FREE Web-based application that allows Medicare providers to check claim status and patient eligibility securely over the Internet?

The Centers for Medicare & Medicaid Services (CMS) and WPS Medicare are committed to offering self-service tools to

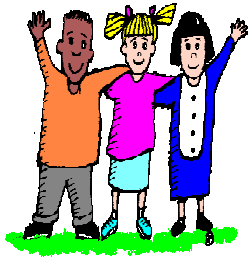
assist providers. C-SNAP offers registered users with a FREE Web portal to conveniently access claim status and patient eligibility information 24 hours a day.

To learn more about C-SNAP, go to the WPS website found at

http://www.wpsmedicare.com/j5macpartb/selfservice/claims_elig_tools/csnap/

Dr. Quentin Quack's Quacked Humor

Old Adages as Completed by Grade School Children



- **Better To Be Safe Than...** Punch A 5th Grader.
- **Strike While The...** Bug Is Close.
- **Never Under Estimate The Power Of...** Termites.
- **You Can Lead A Horse To Water But....**How?
- **Don't Bite The Hand That...** Looks Dirty.
- **No News Is...** Impossible.
- **A Miss Is As Good As A...** Mister.
- **You Can't Teach An Old Dog New...** Math.
- **If You Lie Down With The Dogs, You'll...** Stink In The Morning.
- **Love All, Trust...** Me!
- **The Pen Is Mightier Than The...** Pigs.
- **An Idle Mind Is...** The Best Way To Relax.
- **Where There's Smoke, There is...** Pollution.
- **Happy The Bride Who...** Gets lots of Presents!
- **A Penny Saved Is...** Not Much.

To access the new NOA 3rd Party web page directly:

1. Go to <http://nebraska.aoa.org/>
2. Click on DOCTORS (gray horizontal bar)
3. Click on THIRD PARTY INDEX (gray bar, left side of screen)
4. Enter your User Name (AOA member #) and Password (DOB MMDDYY) when requested.

- **Two's Company, Three's...** The Musketeers.
- **Laugh & The Whole World Laughs With You, Cry and ...**You Have To Blow Your Nose.
- **None Are So Blind As...** Helen Keller.
- **Children Should Be Seen And Not...** Spanked Or Grounded.
- **If At First You Don't Succeed...** Get New Batteries.
- **You Get Out Of Something What You...** See Pictured On The Box.
- **When The Blind Leadeth The Blind...** Get Out Of The way.

Dr. Quentin Quack's Queries and Questionable Quotes



Dr. Quentin Quack

Third Party Questions from NOA Doctors and Staff

TC Paid Bilaterally if A-Scans done OU the Same Day

Dear Dr. Quack:

I have a question about A-scans.....We have always billed for each eye as 76519TC RT (or LT) on the day it was performed stating the date surgery would be performed and have always gotten paid. We always do both eye's A-scans the same day so they are done. Just within the last couple of weeks to a month we are getting them denied.

I have called and talked to Medicare and they are now telling me that we cannot do both A-scans the same day. I told them if we know both surgery dates and they are within a very close distance of each other we have always done that rather than patient having to come back to have second eye A-scan done. They said the TC portion of the A-Scan has to be billed on two separate dates, but that the 26 portion can both be billed on same date. What can you tell me about this?

Are they forcing us to either do only one eye each time or are they forcing us to have to make up another date to bill the second A-Scan on? Like I said, we have never over the past several years had a problem with this and now all the sudden we are getting the second eye denied saying the frequency of the service is not correct. Thanks for your help Ed. Your input always much appreciated!

Dr. Quack's Quote.

As Dr. Quack sees it, if you have been paid in the past for the A-scan of each eye separately on the same day for CPT code 76509TC (technical component), I think you have been paid in error. Let me explain my reasoning.

The Medicare Physician Fee Schedule Database, or MPFSDB, for codes 76510 thru 75519 explains which codes can be paid per eye, and which will be paid bilaterally (one fee for both eyes). You can read about the MPFSDB in a previous Quack article, lo-

cated on pages 2 and 7 at

<http://nebraska.aoa.org/prebuilt/NOA/2009-03%203RD%20PARTY%20NEWSLETTER.pdf>

The code in the column that is labeled "bil surg" on the MPFSDB explains how Medicare pays. The meanings of those codes can be found in an article found at

<http://nebraska.aoa.org/prebuilt/NOA/MPFSDB.pdf>

Looking at the MPFSDB, one will note that under the column "bil Surg", the number for 76519TC is a "2", which means it is already being paid on a bilateral basis (fee paid includes both eyes). The 76519-26 component, however, has a "3", which means it is paid fully for both eyes.

So what they told you over the phone is correct. If you bill both TC services on the same day, you will be paid bilaterally. The professional component (modifier 26) is paid per eye, however.

Dear Dr. Quack (return email):

But we are only being reimbursed \$37.21 for both eyes. Will it help if I bill on separate lines, or use a RTL modifier, or a 50 modifier?

Dr. Quack's Quote.

I'm afraid you are going to have to accept the \$37.21 total for both eyes if you do A-scan 76519 TC on both eyes the same day. It doesn't make any difference if you bill on separate lines...they still will only pay one amount for both eyes for the technical component. You could save some ink by billing one line without the RT and LT modifier. Or, if you want them to be completely aware that you did both eyes, you could bill one line using 76519 50TC. But it won't make any difference...all you are going to get is the \$37.21 if you do both eyes on the same day, I'm afraid. Sorry...



If you do A-scan 76519 TC on both eyes the same day, Medicare will reimburse as a bilateral procedure (one amount for both eyes).



Better Vision for Nebraskans...

Prsrtr Std
U.S. Postage
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Lincoln, NE
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Nebraska Optometric
Association

1633 Normandy Court, Suite A
Lincoln, NE 68512
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The NOA Third Party Newsletter is published monthly by the Nebraska Optometric Association with the assistance of Ed Schneider, O.D., Third Party Consultant.

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> Ed's mobile phone is 402-310-2367. Voicemail available.

> Fax number is 402-464-1214. Call Ed before faxing.

NOA Third Party Newsletter—ABSTRACTS OF THIS MONTH'S ISSUE

NEW! CHANGE IN OD REQUIREMENTS FOR DME SURETY BONDS?

Requirements have changed very recently. There are cases where ODs appear to need surety bonds by October 2, 2009. Details are explained. P.1-3.

MEDICAID: CHANGES TO VISUAL CARE SERVICES FEE SCHEDULE

Medicaid recently announced updates to Visual Care Services Fee Schedule retroactive to July 1, 2009. P.1.

2010 UPDATE FOR HPSA BONUS PAYMENTS

You will find the annual HPSA bonus payment file and other important HPSA information on the CMS Website. P.4.

WPS RETIRES SOME OPHTHALMOLOGY-OPTOMETRY LOCAL COVERAGE DETERMINATIONS

The Wisconsin Physician Services announced some Local Coverage Determinations are being retired effective 09/1/2009, including: Extended Ophthalmoscopy, Fundus Photography, YAG Capsulotomy. P.4.

PC-ACE PRO-32 SOFTWARE UPGRADES AGAIN

If you are currently using the PC-Ace Pro32 billing software, you can now download the latest upgrade online. P.4.

FROM THE AOA: CCHIT CERTIFICATION FOR OD EHR'S

At the urging of the AOA and ophthalmology groups, commission officials recently indicated they might push eye care EHR certification forward to mid-2010. P.5.

USING C-SNAP TO CHECK CLAIM STATUS & PATIENT ELIGIBILITY

C-SNAP offers registered users with a FREE Web portal to conveniently access claim status and patient eligibility information 24 hours a day. P.6.

TECHNICAL COMPONENT (TC) PAID BILATERALLY IF A-SCANS DONE ON THE SAME DAY

If you do A-scan 76519 TC on both eyes the same day, it doesn't make any difference if you bill with the 50 modifier, RTLT modifier, or on separate lines...they still will only pay as a bilateral procedure (one amount for both eyes) for the technical component. P.7.