

Proposed 10% Pay Bonus for Primary Care

Primary care providers will be eligible for a bonus payment equal to 10% of their Medicare allowed charges for primary care under rules laid out in the proposed 2011 Physician Fee Schedule (PFS) that CMS added to comply with the health reform law.

Look at how these 10% payment bonuses would work as proposed.

Primary Care Bonus limited by specialty

The primary care bonus is open to four physician specialties: geriatric medicine, family practice, internal medicine and pediatric medicine; and three types of non-physician practitioners (NPPs)—clinical nurse specialists, nurse practitioners and physician assistants. At least 60% of an

eligible provider's Medicare allowed charges must come from "primary care services," which CMS proposes to define using a list of 40 E/M CPT codes for office visits, nursing facility care and home health visits.

These codes include **99201-99215** for new and established office visits, **99304-99310** for initial and subsequent nursing facility care, **99315**, **99316** and **99318** for nursing facility services, **99324-99340** for new and established domiciliary/rest home visits, and **99341-99350** for new and established home visits.

The primary care bonus is based on a full year's worth of claims data, which means that the first round of payments, which would be sent quarterly in 2011, must be based on 2009 claims. ■

Inside this issue:

Proposed 10% Pay Bonus for Primary Care 1

You Can Comment on the Proposed 2011 Fee Schedule 1

ICD-10 Implementation Information Let's Start To Understand How Diagnosis Coding Will Change!! 2

You Can Comment on the Proposed 2011 Fee Schedule

You have until 11:59 p.m. ET, on August 24 to file your comment on CMS's proposed 2011 Medicare Physician Fee Schedule (PFS).

1. Visit www.regulations.gov and search for docket number "CMS-2010-0205" Select the proposed rule and click on the submit comment link to give your opinion.

2. Mail written comments to Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS-1503-P, P.O. Box 8013, Baltimore, MD 21244-8013. Be sure to allow enough time to ensure on-time delivery. ■

ICD-10 Implementation Information

Let's Start To Understand How Diagnosis Coding Will Change!

ICD-10-CM does not require improvements in documentation, but high-quality documentation would increase the benefits of a new coding system and is increasingly being demanded by other initiatives. Primarily, changes in ICD-10-CM are in its organization and structure, code composition and level of detail.

This issue impacts all physicians, providers, suppliers, and other covered entities who submit claims to Medicare contractors for services provided to Medicare beneficiaries in any health care setting.

The first ICD-10-related compliance date is less than two years away. On **January 1, 2012**, standards for electronic health transactions change from Version 4010/4010A1 to Version 5010. Unlike Version 4010, Version 5010 accommodates the ICD-10 code structure. On **October 1, 2013**, medical coding in U.S. healthcare settings will change from ICD-9-CM to ICD-10. The transition will require business and systems changes throughout the health care industry.

- ICD-10-CM diagnosis codes will be used by all providers in every health care setting.
- ICD-9-PCS procedure codes will be used only for hospital claims for inpatient hospital procedures to collect data, determine payment and support electronic health records.

Differences between the ICD-10-CM/ICD-10-PCS and ICD-9-CM Code sets...

The differences between the ICD-10 code sets and the ICD-9 code sets are primarily in the overall number of codes, their organization and structure, code composition, and level of detail. There are approximately 70,000 ICD-10-CM codes compared to approximately 14,000 ICD-9-CM diagnosis codes.

ICD-10 codes are longer and use more alpha characters, which enable them to provide greater clinical detail and specificity in describing diagnoses and

procedures. Also, terminology and disease classification have been updated to be consistent with current clinical practice.

Benefits of the ICD-10 Coding system...

The new, up-to-date classification system will provide much better data needed to:

- Measure the quality, safety and efficacy of care
- Reduce the need for attachments to explain the patient's condition
- Design payment systems and process claims for reimbursement
- Conduct research, epidemiological studies, and clinical trials
- Set health policy
- Support operational and strategic planning
- Design health care delivery systems
- Monitor resource utilization
- Improve clinical, financial, and administrative performance
- Prevent and detect health care fraud and abuse
- Track public health and risks ■

Next month we will explore Structure, ICD-10-CM Injury Changes and ICD-10-CM Specificity Examples.