

## **CMS Issues New Enrollment, Ordering and Referring, and Documentation Requirements Effective July 6, 2010.**

CMS published an interim final rule that implements certain Patient Protection and Affordable Care Act (PPACA) provisions governing enrollment, ordering and referring, and documentation under Medicare. Among other things, these provisions require that physicians ordering and referring specified items and services be enrolled in the Provider Enrollment Chain and Ownership System (PECOS) by July 6, 2010, changing the previously reported January 3, 2011 date given by CMS.

CMS's new rule states that, effective July 6, 2010, it will require Medicare contractors to reject claims for specified items and services that are ordered or referred if the legal names and national provider identifiers (NPIs) of the ordering or referring providers are not on the claim or the ordering or referring providers do not have an approved enrollment record in PECOS. Specified items and services include durable medical equipment, prosthetics, orthotics, and supplies; home health items or services; and laboratory, imaging, and specialist services, where applicable. CMS is considering extending the provision to prescribed Part B drugs within the next year.

CMS has provided an exception to the requirement that the ordering or referring provider have an approved enrollment record in PECOS in the case of a provider who has validly opted out of Medicare.

Other requirements for enrollment, ordering, referring and documentation are detailed below. We encourage members to look carefully at these provisions and seek advice from an attorney where necessary. The new rule states that claims that do not meet these requirements will be rejected by Medicare contractors.

All providers who enrolled in Medicare within the past six years, as well as those who enrolled more than six years ago and who have updated their enrollment information within the past six years, have enrollment records in PECOS. Those who enrolled more than six years ago and who have not updated their enrollment information will need to submit applications to establish enrollment records in PECOS. They may do this by filling out the paper Medicare provider enrollment applications (using the appropriate form(s) from the CMS-855 series of forms) and mailing the applications to the appropriate Medicare enrollment contractor or by using Internet-based PECOS to submit their enrollment application to the Medicare enrollment contractor over the Internet.

CMS is accepting comments on the interim final rule through July 6, 2010 and there may be changes to these rules down the road.

What follows is a more detailed summary of new requirements in this interim final rule:

- Under Medicare, a provider who is eligible for an NPI must report the NPI on the Medicare enrollment application; and, if the provider enrolled in Medicare prior to obtaining an NPI and the NPI is not in the provider's enrollment record, the provider must report the NPI to Medicare in an enrollment application so that the NPI will be added to the provider's enrollment record in PECOS.
- A provider who is enrolled in fee-for-service Medicare must report its NPI, as well as the NPI of any other provider or supplier who is required to be identified in those claims, on any electronic or paper claims that the provider or supplier submits to Medicare.
- A claim submitted by a Medicare beneficiary must contain the legal name and, if the beneficiary knows the NPI, the NPI of any provider or supplier who is required to be identified in that claim.
- A Medicare claim from a provider will be rejected if it does not contain the required NPI(s).
- Under Medicaid, the agreement between a State agency and each provider furnishing services under the State plan must include a requirement that any Medicaid provider eligible for an NPI furnish its NPI to the State agency under that agreement and on all Medicaid claims.
- In Part B claims for covered items of DME that require the identification of the ordering supplier the ordering supplier must be a physician or an eligible professional with an approved enrollment record in PECOS and be identified in the claim by his or her legal name and by his or her own NPI. (Note the exception described below).
- In Part A claims for covered Part A and Part B home health items or services that require the identification of the ordering supplier, the ordering supplier must be a physician with an approved enrollment record in PECOS and be identified in the claim by his or her legal name and by his or her own NPI (Note the exception described below).
- In Part B claims for covered services of laboratories, imaging suppliers, and specialists that require the identification of the ordering or referring supplier, the ordering or referring supplier must be a physician or an eligible professional with an approved enrollment record in PECOS, and be identified in the claim by his or her legal name and by his or her own NPI (Note the exception described below).
- Medicare contractors will reject claims from providers and suppliers for the above-described covered, ordered or referred items or services if the legal names and the NPIs are not reported in the claims or if the ordering or referring supplier does not have an approved enrollment record in PECOS. (Note the exception described below).
- Medicare contractors may deny a claim submitted by a Medicare beneficiary for the above-described ordered or referred covered items and services if the ordering or referring supplier is not identified by his or her legal name or if the

ordering or referring supplier does not have an approved enrollment record in PECOS. (Note the exception described below).

- The exception referred to above is for those physicians and non-physician practitioners who have validly opted out of the Medicare program.
- A provider or a supplier who furnishes covered, ordered DME or referred home health, laboratory, imaging, or specialist services is required to maintain documentation for seven years from the date of service and, upon the request of CMS or a Medicare contractor, to provide access to that documentation.