

Open Door Forum Newsletter

September 2002

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Hot Announcements !

Prescription Drug Card Assistance Initiative

Stats of the Month

816 teleconference lines were open to individual and group participants and more than 70 guests visited with CMS Administrator Tom Scully and other Policy Leaders during the August Open Door Forums

In his 2003 budget proposal, President Bush repeated his call for a strengthened and improved Medicare program with better coverage options for seniors, including prescription drug coverage. On August 30, 2002, CMS responded by issuing a final regulation for drug discount cards endorsed by Medicare to help its beneficiaries to buy prescription drugs at lower costs and obtain other pharmacy services.

"Seniors and people with disabilities shouldn't be the only Americans paying the highest prices for prescription drugs. We have an obligation to 40 million beneficiaries to help them find ways to purchase drugs more efficiently," said CMS Administrator Tom Scully.

CMS expects Medicare-endorsed discount card programs to begin operating as soon as possible and will continue to work with Congress in a bipartisan effort to reform and strengthen Medicare, including a full prescription drug benefit for all seniors and disabled beneficiaries. For more details regarding this monumental benefit for our Nation's seniors, please click here: <http://www.cms.gov/discountdrugs/default.asp>



HHS Expands Health Plan Options In Medicare+Choice

On Tuesday, August 27, 2002, HHS Secretary Tommy G. Thompson and CMS Administrator Tom Scully announced that the Bush Administration has approved additional health plan options for people with Medicare. A total of 33 new health plans in 23 states -affecting 11 million Medicare beneficiaries and 30 percent of all seniors- will be available next January as part of a demonstration program modeled after the Preferred Provider Organization (PPO) coverage available to the vast majority of Americans under age 65.

Designed to provide seniors additional and better benefit options, as well as access to affordable prescription drugs, enrollees will have more flexibility than is available through existing Medicare HMOs, but will still enjoy richer benefits than those available in the original Medicare program. For further details and a list of the participating states, please click here: <http://www.hhs.gov/news/press/2002pres/20020827att.html>

In another significant move toward giving seniors what they want, CMS is excited to announce that Medicare SELECT, a Medigap product designed as a PPO and currently covering about one million seniors, is being reviewed for expansion. A new interpretation from the HHS Inspector General will allow Medicare SELECT plans to finally construct physician PPO networks. This will allow them to become like commercial PPOs and to operate more effectively by reducing premiums or increasing drug coverage.

Incentives such as these, clearly, are designed to expand the options of our beneficiaries and improve Medicare any way possible.



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Time's Running Out! File For Your HIPAA Transaction Extension Now!

The Administrative Simplification Compliance Act (ASCA) amended the Health Insurance Portability and Accountability Act (HIPAA) and allows covered entities who transmit or maintain patient data electronically to apply for a one-year extension, as long as they submit a compliance plan by October 15,

2002, preferably electronically or by paper. To get started, click here:

<http://www.cms.gov/hipaa/hipaa2/ascaform.asp> Electronic filing is super fast and can be incredibly easy! To help determine if you are a "covered entity," please click here: <http://www.cms.hhs.gov/hipaa/hipaa2/support/tools/decisionsupport/default.asp>

To further assist you in your efforts to meet this deadline, please note that the CMS hotline for the Administrative Simplification aspects of HIPAA is available to you by dialing: (866) 282-0659. You can also submit questions to: askhipaa@cms.hhs.gov

For more information, please click here: <http://www.cms.hhs.gov/hipaa/hipaa2/>

Revised CDC Guidance On End-Stage Renal Disease ESRD Single-Use Vials

Comments received concerning CMS' incorporation of sterility recommendations into the review protocols for the Conditions for Coverage for End Stage Renal Disease (ESRD) Facilities that regarded overfill doses from single-use vials of epoetin alfa, which were saved after use on one or more patients and the residual volume was pooled into one vial and then subsequently given to other patients prompted the Centers for Disease Control and Prevention to issue a letter to CMS citing specific revisions of its guidance on ESRD single-use vials.



In a letter dated July 5, 2002 (found here:

http://www.nraa.org/letters/Tunis_Letter.doc), the CDCP recognized several procedures that, if strictly followed and enforced, address re-entry and re-use of single-dose vials of epoetin alfa or other injectable medications (i.e., intravenous iron preparations or vitamin D preparations) administered to hemodialysis patients during the specified time periods, which would have a low risk of patient infection.

To view those procedures for which ESRD facilities will be expected to comply, please click here: <http://www.nraa.org/letters/singlevial.htm>

You've been heard! Medicare Coverage Database

Frustration shared at past Open Door Forums had much to do with the fact that Medicare had coverage rules written in many different types of documents, which were scattered across multiple web-sites. Taking those concerns into consideration, CMS has undertaken an effort to build a single Medicare Coverage Database (MCD) that will allow users to search across National Coverage Decisions (NCDs), Local Medical Review Policy (LMRPs), and Contractor Articles and Frequently Asked Questions (FAQs).

The estimated timeline for access to the MCD for Durable Medical Equipment Regional Carriers (DMERC), Regional Home Health Intermediary (RHHI) and Fiscal Intermediary LMRPs is December 2002; for Carrier LMRPs, February 2003; for Contractor Articles and FAQs, July 2003; and NCDs, Summer 2003.

Although the MCD is not complete, we are currently testing a platform (click here: <http://test2.fu.com/lmrpfront/>) and would greatly appreciate your comments by e-mailing coveredatabase@cms.hhs.gov

Hospital Outpatient PPS Proposed Rule

This proposed rule, which revises the Medicare hospital outpatient prospective payment system, describes proposed changes to the amounts and factors used to determine the payment rates for Medicare hospital outpatient services paid under the prospective payment system.

The proposed changes, which would be applicable to services furnished on or after January 1, 2003, can be viewed in their entirety through: <http://www.cms.gov/regulations/hopps/propcy2003.asp>

CMS welcomes all comments if received at the appropriate address noted no later than 5 pm EDT on Monday, October 7, 2002.

Payment For Services Furnished By A Critical Access Hospital

After a series of forums and special listening sessions designed to clear up a number of issues regarding the **all inclusive payment option** election for services furnished by a Critical Access Hospital (CAH), CMS recently delivered Transmittal 1860 of the Medicare Intermediary Manual, Part Three – Claims Process.

Among the topics changed and clarified are payment methodology for screening mammography, costs of emergency room on-call physicians and ambulance services, and Health Professional Shortage Areas (HPSAs) incentive payments for physicians. The transmittal can be viewed at: http://www.cms.gov/manuals/pm_trans/R1860A3.pdf

New Payment System For Long Term Care Hospitals

CMS has issued a final rule creating a Prospective Payment System (PPS) for long-term care hospitals. The new system, which will affect more than 270 hospitals, is designed to assure appropriate payment for services to severely ill or medically complex patients, while providing incentives to hospitals for more efficient care of Medicare beneficiaries.

The final LTC hospital PPS rule, which ties payment to patient acuity and is designed to ensure that long-term care hospitals can offer high quality medicine while providing incentives for efficient care, will become effective for cost reporting periods beginning on or after October 1, 2002.

For more information, please visit the *Federal Register* here: http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=2002_register&docid=page+55953-56002

Additional Requirements for Assessment Sets Data Requests

Recognizing the sensitive nature of Assessment Data Sets, CMS recently announced at its Skilled Nursing Facility / Long Term Care Open Door Forum additional review criteria designed to secure beneficiary privacy while strengthening health education, research, and clinical practice.

The review criteria, to be applied to data requests for Assessment Data Sets, has been well received by researchers, health service providers, administrators, teachers, and other health care professionals whose goals include beneficiary privacy rights and continued confidence in public health research and practice standards.

To review the quality improvement updates to our research criteria, please click here: <http://www.cms.gov/data/requests/additionalrequirements.asp>

Draft Updates To The Resident Assessment Instrument (RAI) Users Manual

During the most recent SNF-LTC Open Door Forum, CMS shared that its draft update to the 1995 RAI Manual is available at: <http://cms.hhs.gov/medicaid/mds20/man-form.asp> Because these updates incorporate information that was not available when the manual was first published in 1995, we strongly encourage you to submit comments to MDSManualComments@cms.hhs.gov using the Word Tracking Changes feature.



The Nursing Home Quality Initiative (NHQI)

The highly anticipated NHQI satellite web-cast aired Friday, September 20th. The program, hosted by CMS Administrator Tom Scully, consisted of a combination of pre-taped and live information segments as well as two live 15-minute Q&A sessions during which more than 7,000 participants dialed in and asked questions of our panelists and agency policy Leaders.

To review the broadcast in it's entirety, please visit: <http://cms.internetstreaming.com>

Upon registration, you will receive additional information citing specific objectives of the broadcast, which was designed to provide nursing homes with Medicare or Medicaid certified units, nursing home provider associations, State Survey Agencies, CMS Regional Offices, Quality Improvement Organizations, State Long Term Care Ombudsman, and State Medicaid Agencies a clear and consistent understanding of the NHQI.



The Practicing Physicians Advisory Council (PPAC)

HHS Secretary Tommy G. Thompson greatly appreciated your attendance and participation at the quarterly Practicing Physicians Advisory Council (PPAC) meeting, which took place September 23rd and 24th at CMS Headquarters in Baltimore, MD.

PPAC, congressionally mandated and consisting of 15 members who have submitted at least 250 claims for physicians' services in the previous year, meets to discuss and advise the Secretary and the CMS Administrator of proposed changes in regulations and carrier manual instructions related to physicians' services as identified by the Secretary.

The agenda included the following: Physician's Regulatory Issues Team (PRIT) update, update on the Physician Fee Schedule, beneficiary access, funding for provider education, Medicaid access provision, evaluation and management guidelines, Health Insurance Portability and Accountability Act (HIPAA), Local Medical Review Policy-variation, self-administered drug policy, and preventative services.

For more detailed information please refer to the new PPAC web page at www.cms.hhs.gov/faca/ppac

Open Door Forum Schedule

To see the most up-to-date ODF Schedule, please click here: <http://www.cms.hhs.gov/opendoor/schedule.asp>

Update to the Medicare Summary Notice

CMS recently published a Program Memorandum (PM) to Intermediaries and Carriers updating the Medicare Summary Notice. Specific appeals information has been included and the Office of the Inspector General's (OIG) hotline number and several fraud messages have been removed. To view the update, which has both an effective and implementation date of January 1, 2003, please click here: http://www.cms.gov/manuals/pm_trans/AB02106.pdf

More Options For Medicaid Eligible Individuals With Disabilities

Applauding the **promising practices** of states to better serve the more than seven million American with disabilities, HHS Secretary Tommy G. Thompson urged the continued development and expansion of programs that, like the President's **New Freedom Initiative**, which laid out a bold plan to tear down the stubborn barriers to equality that confront many Americans with disabilities, assures Medicaid eligible individuals with disabilities are served in the most appropriate setting according to their needs and preferences.

To assist states in the development of consumer directed services even further, Secretary Thompson recently announced the new waiver template: **IndependencePlus**. This new template will give states tools to create programs that will allow people with disabilities and their families to decide how best to plan, obtain and sustain community-based services, placing control into the hands of the people using the services.

October 2002 Quarterly Update for DMEPOS Fee Schedule

The much anticipated Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule, which provides specific instructions for the implementation of new codes to assist in appropriate replacement socket insert billing for the Healthcare Common Procedure Coding System (HCPCS), can be found in a Program Memorandum (PM) format here: http://www.cms.gov/manuals/pm_trans/AB02104.pdf The effective and implementation dates for this PM is October 1, 2002.



Hospice Open Door Forum

In response to requests for a hospice-specific public meeting, CMS would like to invite you to attend the Hospice Open Door Forum scheduled for Wednesday, October 2, 2002 from 1:00 to 3:00 pm EST at the CMS Headquarters in Baltimore, MD. For those who cannot attend in person, please dial (800) 837-1935 and use **5567912** as your conference identification number

Hospice Wage Index Annual Update

CMS has recently announced the promulgation of the annual update to the Hospice Wage Index, which is effective from October 1, 2002 through September 30, 2003.

The update, which is used to reflect local differences in wage, can be viewed in its entirety by visiting the *Federal Register* here: <http://frwebgate4.access.gpo.gov/cgi-bin/waigate.cgi?WAISdocID=29712124427+0+0+0&WAISaction=retrieve>

Homebound

In an effort to reassure that chronically disabled homebound Medicare beneficiaries can live a full life without the fear of losing vital benefits, HHS Secretary Tommy G. Thompson and CMS Administrator Tom Scully provided further guidance to home health agencies and the contractors that pay home health claims when determining if a severely disabled individual is qualified as homebound.

The new language, designed to insure that these individuals continue to receive home health care even if they leave their homes for special non-medical purposes such as a child's wedding or other special family occasion, can be viewed at: http://www.cms.gov/manuals/pm_trans/R302HHA.pdf.

For any information regarding the Open Door Forum Initiative, please feel free to contact Tom Barker, Special Assistant to the Administrator for Policy and Outreach, at (202) 690-0056 or tbarker@cms.hhs.gov

