

Contents

What's new in INCISIVE MD?

Who should read these release notes?

Medicare Sequestration

Medicare Electronic Prescribing
Penalty

Medicare RVU table updated

National Correct Coding Initiative (CCI)
Version 19.1 UpdateOregon Workers Compensation 2013
Contract Term

How do I contact INCISIVE Support?

What's new in INCISIVE MD?

This is the second quarter release to add a Medicare contract term to handle Sequestration, add the second quarter 2013 National CCI edits update, and add an Oregon Workers' Compensation 2013 contract term.

Who should read these release notes?***If you are an INCISIVE MD user ...***

Read this entire document for revised features and changes to INCISIVE MD.

If you are the clinic technical contact ...

No action is required to update the software if users have administrative privileges to update the \Program Files directory. The INCISIVE MD application will auto-detect and install the update when the user attempts to log into the application following the release of the update to your clinic. For clinics using terminal services or in a managed information technology (IT) environment, please contact INCISIVE Support for instructions on manually updating users' profiles.

Medicare Sequestration

The Budget Control Act of 2011 requires mandatory across-the-board reductions in Federal spending, also known as sequestration. The American Taxpayer Relief Act of 2012 postponed sequestration for 2 months. As required by law, President Obama issued a sequestration order on 1 March 2013.

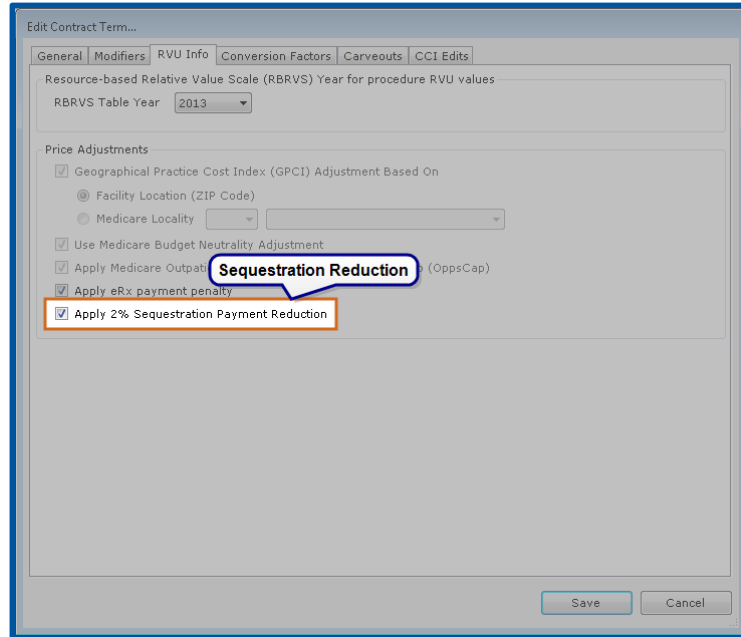
Medicare claims with dates-of-service on or after 1 April 2013, will be reduced by 2% for sequestration. Claims for durable medical equipment (DME), prosthetics, orthotics, and supplies, including claims under the DME Competitive Bidding Program, will also be reduced by 2% after this date. The reduction is computed after determining coinsurance, applicable deductibles, and any Medicare Secondary Payment adjustments. This means that beneficiary payments for deductibles and coinsurance are not subject to the 2% sequestration payment reduction. Since law mandates this reduction, it is considered a contractual adjustment (write-off) and will be noted on the Medicare remittance for each line of service by Claim Adjustment Reason Code 223, "Adjustment code for mandated federal, state or local law/regulation that is not already covered by another code and is mandated before a new code can be created."

With this update, we added a Medicare contract term for dates of service between 1 April 2013 and 31 December 2013 with the **Sequestration** option active for this new contract term.

*A little haiku...**Two percent is taken.**Sequestration proves the rule**For Congress, less is more*

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Figure 1. 2013 Medicare Sequestration Edit Contract Term – Sequestration



When coding a surgery, the **Summary** tab **Details** note will indicate that **Expected Payment** amounts are adjusted and will provide the total amount sequestered for the surgery. The note will also advise the customer to verify the payment adjustment on their Medicare remittance by looking for Claim Adjustment Reason Code 223. This Claim Adjustment Reason Code should be indicated on each line of service that was adjusted by Medicare. This note will also be shown on the corresponding fee ticket under the **Billing Notes** section; an example sequestration billing note is shown below.

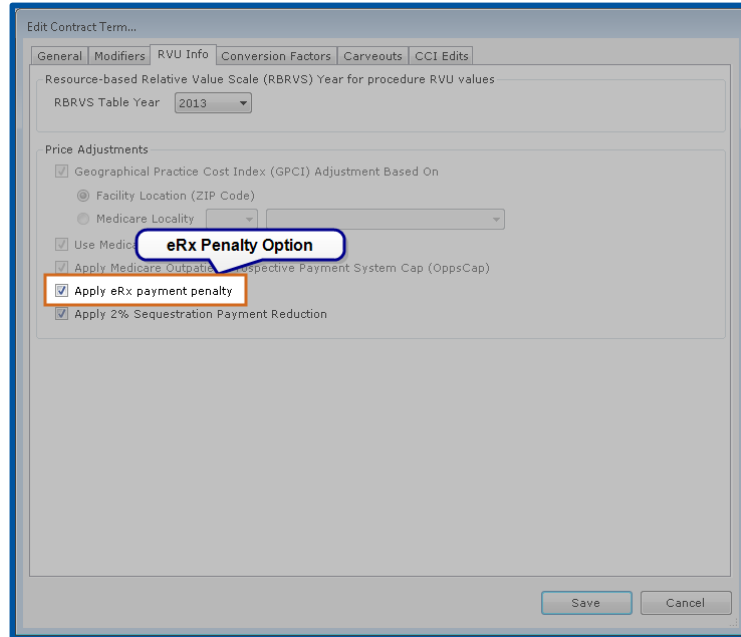
All procedure payments reduced by 2% for sequestration reduction. Total Medicare payment of \$2,854.94 reduced by \$57.10. Review Medicare ERA for Claim Adjustment Reason Code 223.

Medicare Electronic Prescribing Penalty

For those customers not satisfactorily meeting the requirements for the Medicare Electronic Prescribing (eRX) Incentive Program and who are having their Medicare payments reduced for the eRX prescribing penalty, we have added an option for Medicare 2012 and 2013 contract terms to adjust contractual expected amounts for this penalty.

When the option is checked, new or edited surgeries with Medicare selected as the contract will have the contractual Expected Payment amounts for each service line adjusted for the appropriate eRX penalty based upon the date of service; this penalty is 1% for 2012, 1.5% for 2013, and increases to 2% for 2014. After checking this option and updating a 2012 or 2013 Medicare contract term, the INCISIVE MD contract engine will not go through existing coded surgeries and adjust the Expected Payment amounts and no contract change report will not be generated. This is because we are not tracking which years the penalty is being applied to Medicare payments.

Figure 2. 2013 Medicare Sequestration Edit Contract Term – eRx Penalty



When coding the surgery, a **Details** note will indicate that **Expected Payment** amounts were adjusted and that the total amount for the penalty. The note will also advise the customer to verify the payment adjustment on their Medicare remittance by looking for Remittance Remark Code N545, “Payment reduced based on status as an unsuccessful eprescriber per the Electronic Prescribing (eRx) Incentive Program.” This Remittance Remark Code should be indicated on each line of service that was adjusted by Medicare. This note will also be shown on the corresponding fee ticket under the **Billing Notes** section; an example eRX Penalty billing note is shown below.

All procedure payments reduced by 1.5% for Federal ePrescribing (eRX) payment penalty. Total Medicare payment of \$2,854.94 reduced by \$42.82 for eRX penalty. Review Medicare ERA for Remittance Remark Code N545.

Medicare RVU table updated

CMS released a minor update to RVU values with the implementation of the 2% Sequestration contractual adjustment. The changed RVU values did not affect any orthopedic or neurosurgery procedures, so we only updated the RVU values for those affected codes.

National Correct Coding Initiative (CCI) Version 19.1 Update

We updated INCISIVE MD server early in April to add Version 19.1 CCI edits, the second quarter update effective 1 April 2013. This update was done on the INCISIVE MD server and no action by users was necessary to get the additional edits. CMS added 744 new edit pairs and expired 32 edit pairs. The bulk of the new edits were related to new technology codes. Our review of the new edits did not find any significant changes to spine and neurosurgery procedures included with INCISIVE MD.

Oregon Workers Compensation 2013 Contract Term

We have reviewed the changes to the *Oregon Medical Fee and Payment Rules* (Oregon Administrative Rules, Chapter 436, Division 009) and no significant changes were made to payment policies or other administrative rules for 2013. The only thing of interest was for Physical Medicine time-based services, the Rules adopted a minutes to units guide which parallels the AMA CPT Codebook Introduction guideline on Time.

Accordingly, the Oregon Workers Compensation contract term for 2013 simply revises the medical fee schedule payment amounts. See the table below for a basic analysis on the medical fee schedule prices changes effective on 1 April 2013.

Table 1. Key Oregon Workers Compensation Spine Procedure 2013 Prices

CPT	Medicare Description	Oregon Medicare	Oregon Workers Comp	Price Change (\$)	Price Change (%)	Medicare Multiplier
22612	Lumbar spine fusion	\$1,509.09	\$3,713.36	-\$2.44	-0.07%	2.46
22614	Spine fusion extra segment	\$365.72	\$980.51	\$16.78	1.74%	2.68
22633	Lumbar spine fusion combo	\$1,737.03	\$4,277.71	-\$81.73	-1.87%	2.46
63030	Laminotomy	\$915.95	\$2,259.73	\$17.75	0.79%	2.47
63047	Lateral Recess Laminectomy	\$1,046.13	\$2,579.97	\$27.09	1.06%	2.47
99213	3 Level Office Visit	\$70.49	\$141.56	\$2.77	2.00%	2.01

Administrator Rights to Install

Our customers whose network infrastructure is provided by a hospital have trouble in doing updates because this usually requires assistance by their information technologists. With is release, we have changed the location of where INCISIVE MD is stored on the local computer system and removed the dependency for administrative privileges to update the software. For those customers who in the past have had trouble doing INCISIVE MD updates, you will need one more interaction with your information technologists to get the prior version of INCISIVE MD uninstalled and the new version installed. Please contact INCISIVE Support for revised installing and updating instructions for INCISIVE MD.

Every user of a computer will need to get INCISIVE MD installed

With this change, every user of INCISIVE MD on a single machine will need to get INCISIVE MD installed to their local user profile. Other additional users will also need to install and provision the software for their connection to the INCISIVE MD server. Customers should call INCISIVE Support and we will quickly get the additional user setup.

Provisioning INCISIVE MD

To provision the software with the secure connection information to the INCISIVE MD server, users will need to drag the provisioning file onto of the INCISIVE MD login screen instead of double clicking on the provisioning file. This action will cause a copy

of the provisioning file to be copied to the user's local profile
\CrossCurrent\INCISIVE MD\

More Technical Information about the INCISIVE MD installer

For detailed information on installing and updating INCISIVE MD, please refer to the INCISIVE Support webpage Documentation section. We have written new install and update instructions along with a technical information bulletin to answer the most common questions for information technologists.

How do I contact INCISIVE Support?

During normal business hours, 8:00 am to 5:00 pm Pacific Time, you may contact technical support at (503) 546-5323 or by email at support@crosscurrentinc.com. Our INCISIVE MD Support website also offers resources to help answer basic questions about the software.