

Expansion of Medicare Coverage for Chiropractic Services Demonstration

Centers for Medicare & Medicaid Services

March 10, 2005



Overview

- Legislative Background
- Demonstration Sites
- Current Coverage
- Demonstration Coverage
- Demonstration Requirements
- Billing Procedures
- Budget Neutrality
- Evaluation
- Information for Beneficiaries
- Demonstration Information Resources

Legislative Background

- Section 651 of Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA)
- CMS to conduct demonstration evaluating feasibility and advisability of expanding coverage for scope of services that chiropractors are permitted to provide
- Four sites: 2 urban, 2 rural; one of each must constitute a Health Professional Shortage Area (HPSA)
- Demonstration will operate for two years and must be budget neutral

Legislative Background (continued)

- Legislative definition of chiropractic services
 - Care for neuromusculoskeletal conditions for Medicare-eligible beneficiaries
 - Diagnostic and other services that a chiropractor is legally authorized to perform by state or jurisdiction in which such treatment is provided

Demonstration Sites

- State of Maine (rural site)
- State of New Mexico (rural HPSA site)
- 26 Illinois counties + Scott County, Iowa – northern one-third of Illinois including Chicago, Rockford, and Davenport/Moline/Rock Island MSAs (urban site)
- 17 Virginia counties/independent cities – including Richmond, Danville, and Lynchburg MSAs (urban HPSA site)

Demonstration Site Selection Criteria

- Excluded sites that:
 - ✓ Have chiropractic practice regulations deviating substantially from norm
 - ✓ Fall into extreme (high or low average values) in terms of Medicare service utilization, costs, and/or provider supply
- Required potential treatment sites to have transitioned to MCS claims system by April 2005
- Required treatment and comparison areas to:
 - ✓ Not be contiguous (to avoid spillover effects)
 - ✓ Be covered by same carrier (to control for differences in chiropractic claims processing and utilization management procedures)
 - ✓ Have sufficient numbers of beneficiaries to meet sample size requirements

Current Medicare Coverage

- CMS currently reimburses chiropractors for treatment that is:
 - ✓ Limited to manual manipulation of spine to correct subluxation (malfunction) (CPT 98940-98942)
 - ✓ For *active* subluxation, not prevention or maintenance
 - ✓ Related to neuromusculoskeletal condition with reasonable expectation of recovery/functional improvement
- Chiropractor must document patient complaint and establish treatment plan that describes:
 - ✓ Expected duration and frequency of treatment
 - ✓ Specific goals
 - ✓ Measures of effectiveness

Services Covered in the Demonstration

- Permits reimbursement to and/or referrals by chiropractors to an expanded array of services. Examples include:

Diagnostics:

- ✓ X-rays
- ✓ Clinical Lab tests
- ✓ CT (referrals only)
- ✓ EMG
- ✓ Nerve conduction studies
- ✓ MRI (referrals only)

Therapies:

- ✓ Electrotherapy
- ✓ Ultrasound
- ✓ TENS
- ✓ Other medically necessary services for the treatment of neuromusculoskeletal conditions that are covered by Medicare (i.e., other physical therapy procedures)

Evaluation & Management Services

Extraspinal manipulation (98943)

Services Covered in the Demonstration (continued)

- **Complete list of diagnosis and procedure codes on CMS website**

<http://www.cms.hhs.gov/researchers/demos/eccs/default.asp>

- Medicare reimbursement remains the same for currently covered chiropractic services 98940-98942
- Medicare reimbursement for 98943 is as follows:

State	Carrier	NonFacility Fee Schedule
Dupage, Kane, Lake, Will, IL	00952	\$25.91
Cook, IL	00952	\$26.36
remaining counties in IL	00952	\$23.62
Cumberland, York, ME	31142	\$24.55
remaining counties in ME	31142	\$23.57
IA	00826	\$23.31
NM	00521	\$23.62
VA	00904	\$23.92

SUMMARY OF DEMONSTRATION-COVERED SERVICES

APRIL 1, 2005 – MARCH 31, 2007

- Evaluation & Management Services

- Extraspinal manipulation

DIAGNOSTICS

	Reimbursement	Referral
X-Rays	√	√
EMG	√	√
Nerve conduction studies	√	√
CT scans		√
MRI		√
Lab services	√	√

THERAPIES

	Reimbursement	Referral
Electrotherapy	√	√
Ultrasound	√	√
TENS	√	√
Other medically necessary services for treatment of neuromusculoskeletal conditions covered by Medicare	√	√

Demonstration Requirements

- There is no enrollment requirement for chiropractors to participate in the demonstration.
- Medicare patients need not reside in demonstration areas to receive demonstration services
- Chiropractors must practice in demonstration areas to be reimbursed for demonstration-covered services.
- Chiropractors may make referrals to providers not located in demonstration areas.

Demonstration Requirements (continued)

- Expanded coverage limited to treatments associated with neuromusculoskeletal conditions
- Patient must have diagnosis corresponding to covered conditions
- Services must be for active treatment, not maintenance or prevention.

Physical Therapy Requirements

- Chiropractors will be subject to coverage/payment rules other physicians must follow for physical therapy services
 - Must use GP modifier with billed physical therapy services
 - Certify plan of care every 30 days
 - Additional Guidance:
 - Medicare Claims Processing Manual 100-04, Ch. 5 section 20 at http://www.cms.hhs.gov/manuals/104_claims/clm104index.asp).
 - Medicare Benefit Policy Manual 100-2, Ch. 15, sections 220 and 230. http://www.cms.hhs.gov/manuals/102_policy/bp102index.asp).

“Incident to” Requirements

- Must follow physician requirements for “incident to” services
- Additional information
<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2004/SE0441.pdf>
- Must follow physician rules for providing therapy services under the incident to provision of the physician regulation.
- Chiropractic students, chiropractic assistants, sports trainers, etc., cannot provide physical therapy services incident to a chiropractor unless they have graduated from a physical therapy curriculum approved by:
 - American Physical Therapy Association
 - Committee on Allied Health Education and Accreditation of the AMA
 - Council on Medical Education of the AMA.
- Certain persons trained prior to January 1, 1966 may be grandfathered (see 42 CFR 484.4)

Clinical Laboratory Requirements

- Chiropractors performing clinical lab tests must comply with the Clinical Laboratory Improvement Amendments (CLIA)
- Site must be CLIA certified for the level of laboratory service performed.
- CLIA certification number must be placed on claims
 - 1500 form- place in block 23
 - Electronic claims on X12N837- loop 23, REF02, REF01=X4
- Chiropractors are subject to state clinical lab requirements.
- Chiropractors must comply with Stark requirements regarding limitations on self-referrals.

Managed Care Plans

- These guidelines are for fee-for-service beneficiaries. You should verify that beneficiaries are not enrolled in an MA plan or a Health Care Pre-payment Plan (HCPP), either cost or risk-based.
- CMS is still determining which MA plans or HCPPs are participating in the demonstration. Until you are informed that a specific plan is participating, you should not provide demonstration services to their enrollees.
- If a beneficiary is in a participating MA risk or HCCP plan, you must follow guidelines of the plan.

Billing Procedures

- To receive reimbursement for demonstration services, chiropractors must:
 - ✓ Bill for currently covered services (98940, 98941, 98942) separately from demonstration services
 - ✓ Bill for demonstration services using existing CPT codes
 - ✓ Include the demonstration code (45) on claims for demonstration services
 - Electronic form ASCX12837: report demonstration code in 2300/REF loop, reference identification qualifier is P4 (project code) and reference identification is 45
 - Form 1500: insert demonstration code on line 19.
 - ✓ Specify a diagnosis using one of the ICD-9-CM codes covered by the demonstration—these codes are listed at:
http://www.cms.hhs.gov/researchers/demos/ECCS/Diag_ProcedureList2_2_05.pdf
 - ✓ Apply the AT modifier next to every CPT code on all claims
 - ✓ Use the GP modifier with physical therapy services

Billing Procedures

- Chiropractors will be subject to physician coverage and payment rules including but not limited to:
 - Coinsurance and Deductible rules
 - National Correct Coding Edits (CCI)--See <http://www.cms.hhs.gov/physicians/cciedits>
 - Carrier Local Coverage Determinations (LCDs)– Check with your carrier
 - Laboratory National Coverage Determinations (NCDs)- Check with your carrier

Billing Procedures (E&M services)

- E&M services must be billed using existing E&M codes and documentation guidelines:
 - Chiropractic manipulation codes include brief pre-manipulation patient assessment. Additional E&M services may be reported separately using “-25” modifier if, and only if, patient condition requires significant, separately identifiable E&M service.
 - Chiropractors should not bill for an E&M service every time they treat a patient.
 - ✓ Assessment for new patients;
 - ✓ Established patients: new condition, exacerbation or recurrence of current condition, or reassessment midway through treatment
 - Chiropractors should review E&M documentation guidelines available at <http://www.cms.hhs.gov/medlearn/emdoc.asp>

Budget Neutrality

- Legislation requires demonstration to be budget neutral
 - Aggregate Medicare provider payments may not exceed amount that would have been paid in absence of demonstration.
- If demonstration is not found to be cost neutral (based on its estimated impact on Medicare Part A and Part B costs), CMS will recoup excess costs via payments made to all Medicare chiropractic service providers.
 - CMS anticipates any necessary fee reduction to be made in the 2010 and 2011 fee schedules.
 - If CMS determines that the adjustment would exceed 2% of chiropractor fee schedule, it will implement the adjustment over a two-year period.
 - Detailed analysis of budget neutrality and proposed offset will be published in the 2009 *Federal Register* publication of physician fee schedule.

Evaluation

- Demonstration will operate for 2 years, beginning in April 2005
- Independent evaluation will be conducted to assess cost and other impacts of demonstration. CMS anticipates selecting a contractor in September 2005.
- Interim report will be submitted to Congress in Spring 2008.
- Final report will be submitted to Congress in late 2009.

Information for Medicare Beneficiaries

- Beneficiary co-payments will not change: Current co-payments for demonstration services delivered by physicians will also apply when chiropractors deliver these same services.
- Beneficiaries must have Part B coverage to receive demonstration services from a chiropractor.
- Beneficiaries in demonstration areas who receive currently covered chiropractic services after April 1 will receive a statement on their Medicare Summary Notice that they may be eligible for expanded chiropractic benefits.
- Chiropractors will be reimbursed for demonstration services only through March 2007.
- Medicare Advantage and HCPP enrollees in demonstration areas may participate in demonstration only if their health plans do. CMS is currently in discussions with MA and HCPP plans on whether they will participate.

Information Resources

- **CMS Chiropractic Demonstration website-** includes information regarding the design of the demonstration such as the Federal Register Notice, Medlearn Matters Article, demonstration zip codes, demonstration diagnosis and procedure codes.

<http://www.cms.hhs.gov/researchers/demos/eccs/default.asp>

- **Medlearn Matters website-** includes a Medlearn Matters article that provides educational information for chiropractors regarding participation in the demonstration. It also provides detailed information on how to submit claims during the demonstration.

<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2005/SE0514.pdf>

- **Local demonstration carriers-** provides links to local carrier websites for each of the five states that are included in the demonstration.

<http://www.cms.hhs.gov/medlearn/tollnums.asp>

Further Questions

- Contact local carriers for any billing questions
- For general demonstration design questions, send an e-mail to MMA_Section_651@cms.hhs.gov