



## The NYAHSA Center

for Senior Living & Community Services

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### **Medicare Part B Claims Processing Hold**

**ABSTRACT:** CMS Implements Temporary Freeze on Part B Cuts.

The president has signed legislation that provides a temporary override to the 21.2 percent reduction to 2010 Medicare Physician Fee Schedule (Part B), including nursing home and home health agency therapy and ancillary services. The freeze is effective from 1/1/2010 to 2/28/2010.

CMS has instructed its contractors to hold claims for services paid under Part B for up to the first 10 business days of January (January 1 through January 15) for 2010 dates of service. This should have minimum impact on provider cash flow because, by law, clean electronic claims are not paid any sooner than 14 calendar days (29 days for paper claims) after the date of receipt. Meanwhile, all claims for services delivered on or before December 31, 2009, will be processed and paid under normal procedures.

The holding of claims allows Medicare contractors time to receive the updated payment files (i.e., the frozen 2009 rates) and perform necessary testing before paying claims at the frozen rates. CMS has instructed contractors to begin processing claims at the frozen rates **no later than** January 19, 2010. NYAHSA is closely monitoring the situation and will advise members of any developments as additional steps are in process for a potential permanent override to the cuts.