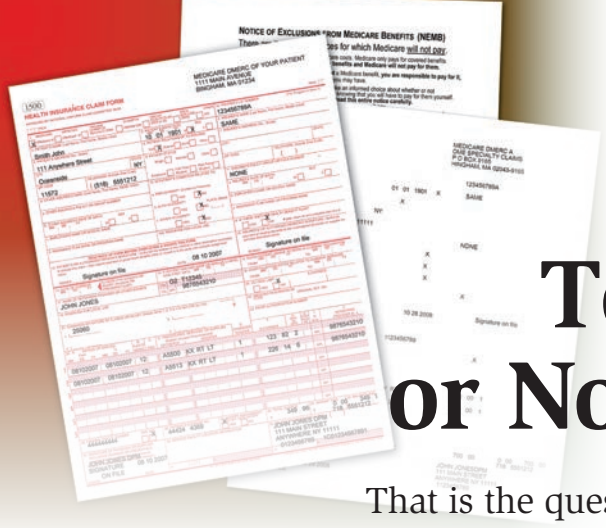

To DME or Not to DME?

That is the question facing many podiatrists.

BY PAUL KESSELMAN, DPM

From late 2016 through early this year, there have been several major changes in healthcare administrative policies which will affect healthcare, regardless of whether you provide DME or not.

Recovery Audit Contractors

Medicare providers (DME and medical providers alike) now have a new Recovery Audit Contractor (RAC) program (Figure 1). For DME providers, the RAC will now be assigned to a single contractor Performant (which previously held the contract only for DME MAC A). Performant will conduct post-payment audits as the RAC nationwide for all DME providers and Home Health Agencies. The exact targets and scope of those post-payment audits has not been announced. Initial speculation by many is that the RAC would choose soft targets (HCPCS codes with high failure rates on pre- or post-payment audits conducted by the DME MAC). For podiatrists, this could include AFOs, shoes, etc. However, RACs operate on a "bounty" basis—that is, they get to keep a percentage of the dollars they recoup from providers. While therapeutic shoes may seem to be an easy target, this author speculates that would also be an expensive target for the RAC to initially focus on. This is because the recoupment potential per claim is relatively low as compared to other DMEPOS, and the labor time to review the significant amount of paperwork and the complexity of that work is high. Rather, it is more likely the RAC would concentrate on other DMEPOS which have equally high failure rates but are paid at a much higher rate and would be less costly and less labor-intensive to review. These would include AFOs (custom and off-the-shelf), lower limb prosthetics (e.g., computerized devices), hospital beds, power-operated wheel chairs, NPWT, etc.

Of course, which types of claims are to be targeted by the RAC is purely speculative, as CMS may dictate to the RAC which types of claims it must review. Stay tuned!

Medicare providers (DME and medical providers alike) now have a new Recovery Audit Contractor (RAC) program.

Reviewing the RAC Map (Figure 1), one also notes that Performant will also take on the RAC for Part B Medicare for much of the Northeast and several Midwestern states. The remainder of the Midwest and central portion of the country will be covered by Cotiviti, while the rest of the country (Far West and several Mid-Atlantic states) will be adjudicated by HMS Federal Solutions. As with RAC for DME, the websites for these contractors at press time are in development and no targeted types of CPT codes or types of claims have been designated.

It is hard to imagine that there will be too many audits the RAC may target towards podiatrists on the Part B Medicare side given the fact that there are a bevy of high-priced procedures which are not within podiatrists' scope of practice. However, CMS may certainly sway some influence on some highly utilized evaluation/management, dermatological or musculoskeletal procedure codes provided by all medical specialties. As with DME, the RAC's revenue is largely determined by the amounts they recover, which would largely be influenced by the fee schedule for each service. Thus, as with DME, it would seem that RAC audits will more likely focus on those procedures which are both high revenue generators for providers and not labor-intensive for the RAC to audit.

CMS has promised that the websites and targeted reviews will be announced sometime in the spring of 2017. The best source of up-to-date information on CMS issues is via the various listserve subscriptions available via the CMS website.

TRICARE Program (Civilian Medical Providers of Military Service Members)

In late January 2017, the DOD made an announcement that it would be consolidating its civilian medical provider program for military beneficiaries (and their depen-

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dents). This will impact all civilian medical providers of military beneficiaries, whether or not they provide DME.

Previously, there were three carriers which reimbursed civilian medical providers through the TRICARE Military Program (Figure 2). Effective late 2017, TRICARE has announced the country will be divided between two carriers which will administer the civilian medical care program for its military members (and dependents). Health Net (TRICARE North) will no longer administer the program in the North Region but instead will take over the entire western portion of the country (TRICARE West). What previously was termed Tri Care North and Tri Care South will now be simply referred to as the Tri Care East and be administered by Humana. TRICARE has promised to provide more information as the implementation deadline draws near later this year. Given the speed at which TRICARE has moved on other issues, we should anticipate delays with implementation, and at this time, there are many unanswered questions. These mainly include:

- Will providers currently enrolled as TRICARE providers need to re-enroll or apply (if not already enrolled) with the new TRICARE adjudicator jurisdictions?
- Given Humana's poor record for provider service and innumerable claims processing issues, will TRICARE providers of military members and their dependents be equally frustrated as those who provide medical care to non-military members?
- Will Palmetto continue to maintain check processing, EFT, and EOB functions for this program or will this revert to each carrier?
- Will TRICARE maintain other website functions that it currently maintains to providers, or will those

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Most, if not all, insurance carriers have provider portals enabling providers to access almost real-time information on claims and eligibility.

FIGURE 1:

Recovery Audit Contractors

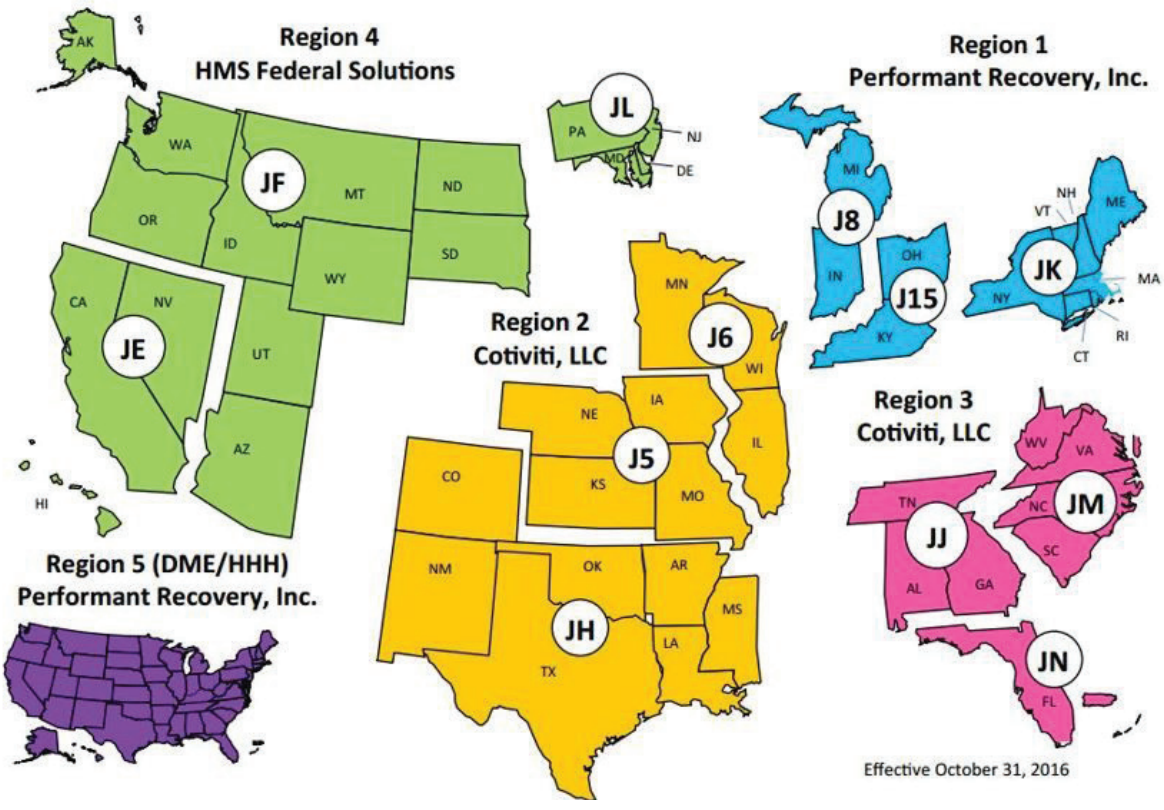
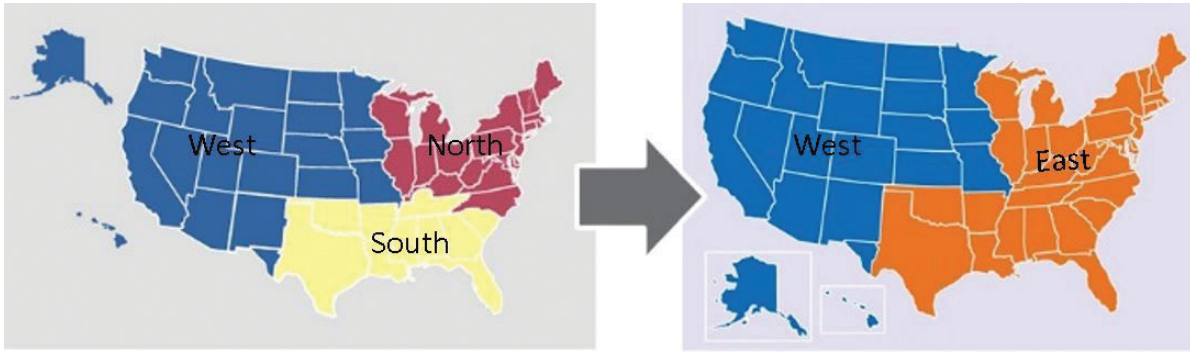


FIGURE 2:

Tricare



Current Regions	New Regions
North=Health Net (www.hnfs.com) 1-877-TRICARE (1-877-874-2273)	North and South Merge to East Contract Awarded to Humana
South=Humana Military (www.HumanaMilitary.com) 1-800-444-5445	
West=UHC Military (www.uhcmilitarywest.com) 1-877-988-WEST (1-877-988-9378)	West Contract Awarded to Health Net
PGBA PGBA claims processor www.mytricare.com	

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also shift to individual payers?

Since there now will be only two carriers for military members and their dependents, TRICARE is no longer an appropriate name for this program. No announcement has been made on a new name or acronym. Would you be surprised if the bureaucrats in D.C. never even thought about this?

Aetna and Humana

Just announced while completing this article is the rejection by the FTC of Aetna's petition to acquire Humana. Whether the parties will appeal this decision is questionable. How this impacts DME and non-DME providers also remains questionable.

Provider Portal Access

Most, if not all, insurance carriers have provider portals enabling providers to access almost real-time information on claims and eligibility, appeals, nurses notes, submission of "Additional Document Requests (ADR), and in the case of DME carriers "Same and Similar". Log-in was simple with a single password. However, the way you will access these portals is changing, with "Two Factor Authentication". Each carrier will be required to implement this policy in the coming months in order to provide additional cybersecurity. Setting this up will require that you access your portal account to verify your email address linked to that portal account. Once enabled, the portal will send you an additional password changed on a daily basis. That is, each day you will be sent a different multiple-character password, which will be required to be used along with your primary password. Each carrier is currently sending out its own announcement regarding the role out of this new regulation for use in their provider portal.

Whether you provide DME or not, there have been several changes to claims processing, payment, and accessibility to provider portals. It is abundantly clear that the change in leadership in Congress and the White House will not result in any fewer requirements for healthcare providers to continue to stay up-to-date on how they conduct business. PM

Dr. Kesselman is in private practice in NY. He is certified by the ABPS and is a founder of the Academy of Physicians in Wound Healing. He is also a member of the Medicare Provider Communications Advisory Committee for several Regional DME MACs (DMERCs). He is a noted expert on durable medical equipment (DME) for the podiatric profession, and an expert panelist for Codingline.com. He is a medical advisor and consultant to many medical manufacturers.