

The Medicare Contractor Who Stole Christmas

In reflection on my year during this holiday season, I am grateful for the ability to represent some of the most talented and hard-working physicians in the country. However, I cannot help but feel compassion for some of the providers who face harsh and seemingly unjust consequences for minor mistakes. A perfect example is the physician whose Medicare enrollment status is revoked or voided by its regional contractor.

CMS can revoke a provider's billing privileges for a variety of reasons, such as following a provider's conviction for a criminal offense or noncompliance with enrollment requirements. In effect, the revocation terminates the provider's ability to treat and bill for Medicare patients and precludes the provider from reapplying for Medicare enrollment for a specific period of time. While revocation is appropriate in certain circumstances, the tool is sometimes used to punish relatively minor mistakes.

In these circumstances, physicians will believe that their local Medicare contractor is staffed by Ebenezer Scrooge or the Grinch.

An example of the harsh applications of revocation is when a provider uses a P.O. Box address as its practice location. According to CMS, providers may not indicate a P.O. Box address as their practice location. A practice location is required to be operational — i.e., if CMS were to inspect the address listed on the Medicare enrollment forms, it would anticipate walking into a medical clinic or office. Thus, any provider with a P.O. Box practice location in its enrollment forms can be subject to revocation, which can last between one and three years. Obviously, these providers are not practicing medicine at their local post-offices. Yet, CMS and Medicare contractors are required to revoke such providers' billing privileges for a seemingly innocuous mistake.

Worst yet, providers who are revoked by CMS for not having an operational practice location are also unable to bill Medicare for services rendered from the date that CMS determines a location is inactive. In other words, if CMS or a contractor visits a provider's practice location on Nov. 1 and determines that it is not operational, the provider cannot bill for services rendered on or after Nov. 1. However, the provider will not likely receive notice of the revocation until 2-4 weeks after CMS makes its determination. During this delay, the provider may unknowingly be performing weeks of services for which it expects reimbursement from Medicare, only to find out that it will not be paid because of revocation. This leaves the poor provider blindsided and without sufficient revenues to pay its staff for the holidays. Or in laymen's terms, "Scrooged."

Good luck avoiding Scrooge! I wish all of you the happiest of holidays and a very successful new year.

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