#### **AOPA In Advance SmartBrief**

Breaking News
November 24, 2015

#### **AOPA Headlines:**

**2016 DMEPOS Fee Schedule Released – Call to Action** 

**2016 Medicare Premiums & Deductibles Announced** 

**Expand Your Knowledge with the New AOPAversity** 

CMS Finalizes Stark Law Changes in CY 2016 Medicare Physician Fee Schedule Final Rule

It's AOPA Membership Renewal Season

**Mark Your Calendars for the 2016 Webinars** 

**Happy Thanksgiving from AOPA!** 

**Upcoming Events** 

## 2016 DMEPOS Fee Schedule Released - Call to Action

On November 23, 2015, the Centers for Medicare and Medicaid Services (CMS) released the 2016 Medicare DMEPOS fee schedule. As if the challenges to the O&P field were not enough, Medicare fees for orthotic and prosthetic devices will be slightly lower in 2016 than they were in 2015. The reduction is the 2016 fee schedule is a result of a combination of the increase in the Consumer Pricing Index for urban areas (CPI-U) from June to June of the previous year, and the annual Mutlifactor Productivity Adjustment. The CPI-U increased by a total of 0.1% from June 2014 to June 2015 and the 2016 Productivity Adjustment was calculated as -0.5%. The combination of these two factors will result in an overall decrease of 0.4% in the 2016 Medicare O&P fee schedule.

While a decrease in the fee schedule is not unprecedented, the 2016 decrease is the first one since 2011, when the Productivity Adjustment was first introduced as a result of the passage of the Patient Protection and Affordable Care Act (ACA) in 2010.

The reduction in the 2016 O&P fee schedule, in addition to the recent CMS announcement that the four existing Recovery Audit Contractors (RACs) have been authorized to begin performing regular audits again until CMS is able to negotiate new RAC contracts cannot be allowed to go unchallenged. AOPA is preparing a call to action effort where it will ask its members to, once again, reach out to their legislators in Washington, DC for assistance. While a 0.4% reduction in the 2016 O&P fee schedule may not seem like a big deal by itself, the added pressure that renewed RAC audits will bring, along with the current sequestration based reimbursement reduction of 2% for all Medicare claims, creates an extremely hostile business environment for O&P providers.

AOPA is preparing a letter that AOPA members, through the AOPAVotes website, can quickly and easily send to their legislators that will ask them to consider sponsoring or supporting legislation that will require CMS and its contractors to recognize the clinical documentation of prosthetists and orthotists as an integral part of the patient's medical record. AOPA believes that accepting these notes as part of the medical record will significantly reduce the number of unfavorable RAC audits that are driving quality O&P providers out of business. Watch your e-mail for an update on this call to action in the next few days.

Questions regarding this issue may be directed to Joe McTernan at <u>imcternan@aopanet.org</u> or Devon Bernard at <u>dbernard@aopanet.org</u>.

## 2016 Medicare Premiums & Deductibles Announced

The Centers for Medicare and Medicaid Services (CMS) has announced the Medicare premium and deductible rates for 2015. The monthly Medicare Part B premium will begin at \$104.90, the same as it was in 2015. The Medicare Part B deductible for 2015 has increased by \$19 and will be set at \$166.00; the Medicare Part B coinsurance remains at 20 percent of the Medicare allowed charge.

The Medicare Part A deductible for 2016 is set at \$1,288 which represents a \$28 increase over the 2015 amount, and the daily co-insurance amount for days 61-90 is \$322 and the lifetime reserve day's rate is set at \$644. Lastly, the SNF Part A extended care days (day 21-100) will be \$161 for 2016. Contact Devon Bernard at <a href="mailto:DBernard@AOPAnet.org">DBernard@AOPAnet.org</a> or Joe McTernan at <a href="mailto:IMcternan@AOPAnet.org">IMcternan@AOPAnet.org</a> with questions.

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## CMS Finalizes Stark Law Changes in CY 2016 Medicare Physician Fee Schedule Final Rule

This past July, the Centers for Medicare and Medicaid Services (CMS) issued a proposed rule that, in many ways, signaled the agency's intent to ease the burden of complying with the law. On October 30, 2015, CMS unveiled its final changes in this iteration of Stark Law rulemaking as part of the CY 2016 Medicare Physician Fee Schedule final rule (the "Final Rule"). The Final Rule makes several significant changes, including new exceptions for the recruitment of non-physician practitioners and timeshare arrangements.

The regulatory changes will become effective January 1, 2016, with the exception of the changes related to determining the level of physician ownership in physician-owned hospitals, which will take effect January 1, 2017.

While AOPA does not foresee a significant impact of the new Stark law changes to O&P, here are the area of new exceptions: Non-physician Practitioner Compensation Assistance; Timeshare Arrangements.

The Final Rule includes clarifications for Physician-owned Hospitals; (a. Clarification of Ownership Disclosure Requirements; b. Modification of Definition of Physician Ownership or Investment.) The Final Rule revised procedural requirements including recruitment and retention changes, and an update to the language for retention payment in underserved areas. Read the complete updates here.

## It's AOPA Membership Renewal Season

We know how busy things can get at this time of year, so we've made it easier for you to check one very important item off your list. Membership renewal invoices are in the mail. To renew your AOPA membership for 2016 (for your company and all staff), simply select one of the easy methods below:

- 1. **Online.** Sign in now at www.AOPAnet.org with your username and password to pay by credit card.
- 2. **Mail a check** payable to AOPA along with your invoice to AOPA, P.O. Box 34711, Alexandria, VA 22334.
- 3. **Fax** your invoice with credit card payment information to 571-431-0899.
- 4. **Call** us at 571-431-0876 with credit card details and we will handle the renewal process for you.

Your 2015 membership expires December 31, 2015. You won't want to let important benefits lapse in the new year ahead. And don't forget it was the power of unity that helped squelch the harmful prosthetic LCD Policy Article in its original form – your company made the resources possible to make that fight successful. We need your continued support.

If you need assistance or have questions about your 2016 membership invoice, please contact us at <a href="mailto:bleppin@aopanet.org">bleppin@aopanet.org</a> or 571-431-0810.

# WEBINAR WEDNESDAYS



Register for AOPA's 2016 Webinar Series and earn 1.5 credits each month.

Register for the Whole Series and get 2 free Webinars! Just \$990 for members and \$1990 for non-members.

# **2016 Webinar Topics**

January 13: Prepayment Reviews: What You Need to Know to Pass

February 10: SNF Billing: Beyond the Basics (The Ins and Outs)

March 9: Shift the Liability: The Proper Use of the ABN Form

April 13: Understanding Shoes, Mastectomy, & Other Policies

May 11: When Things Go Wrong: Making Lemonade out of Lemons

June 8: Physician Documentation: How to Get It & How to Use It

July 13: Strategies and Levels: How to Play the Appeal's Game

August 10: The Supplier Standards: Are You Compliant?

September 14: Fill in the Blanks: Know Your Forms

October 12: KO Policy: The ABC's of the LCD and PA

November 9: Don't Miss Out: Are You Billing For Everything You Can?

December 14: New Codes and What Lies Ahead for 2017



# **Happy Thanksgiving from AOPA!**



On behalf of the AOPA Board of Directors and staff, we wish you and yours a very safe and Happy Thanksgiving. We are extremely thankful for our members and the 0&P Community. AOPA will be closed on November  $26^{th}$  and November  $27^{th}$ . There will not be a SmartBrief on Thursday, November  $26^{th}$ . The office will resume normal hours on Monday, November  $30^{th}$ .

# **Upcoming AOPA Events**

December 9, 2015 Bringing in the New Year: New Codes and Changes for 2016

**AOPA** Webinar

Learn more or register here

January 2016 Mastering Medicare: Essential Coding & Billing Techniques Seminar

Tampa, FL

January 13, 2016 Pre-Payment Reviews: What You Need to Know to Pass

**AOPA Webinar** 

Learn more or register here