

Payment Matters®

Update on Medicare and Medicaid Payment Issues

[Subscribe](#)

[Payment Group](#)

[Payment Matters Archive](#)

January 25, 2012

www.ober.com

IN THIS ISSUE

[CMS Instructs Teaching Hospitals on Reporting FICA Tax Refunds for Medical Residents](#)

[CMS Proposed Rule May Offer Relief to Medicaid DSH Providers](#)

[Second Year of the Medicare Primary Care Provider HPSA Bonus Payment Policy](#)

Editors: [Leslie Demaree Goldsmith](#) and [Carel T. Hedlund](#)

Second Year of the Medicare Primary Care Provider HPSA Bonus Payment Policy

By: [Christopher P. Dean](#)

A recent [Medicare Learning Network Matters \[PDF\]](#) release notified primary care physicians of their potential eligibility for the Health Professional Shortage Area (HPSA) bonus payments. This 10% bonus is available to primary care providers as part of the federal Patient Protection and Affordable Care Act until December 31, 2015.

As previously reported in more detail in "[Primary Care Providers and General Surgeons Benefit from Increase Reimbursement](#)", an eligible primary care provider may receive the 10% bonus payment on claims for primary care services that are provided in a HPSA. A primary care provider is eligible if the provider has enrolled in Medicare as a primary care provider and has billed 60% or more of the provider's HCPCS codes in the previous two years to designated primary care codes. Eligible primary care providers include non-physician providers who bill directly to Medicare and not as "incident-to" a physician's services.

Ober|Kaler's Comments

Primary care providers who anticipate the receipt of the 10% bonus payments in 2012 should verify that they remain eligible for these payments. Some primary care providers who were eligible in 2011 will not receive bonus payments in 2012. Primary care providers who either failed to meet the 60% test in 2011 or who practice in a geographic region that has had its HPSA designation removed by the Health Resources and Services Administration will not receive bonus payments in 2012.

Payment Matters® is not to be construed as legal or financial advice, and the review of this information does not create an attorney-client relationship.

Copyright© 2012, Ober, Kaler, Grimes & Shriver

Payment Matters®

Update on Medicare and Medicaid Payment Issues

[Subscribe](#)

[Payment Group](#)

[Payment Matters Archive](#)

Primary care providers that provide care in a HPSA and who continue to satisfy the eligibility requirements throughout 2011 should continue to receive a quarterly bonus payment in 2012 equal to 10% of their Medicare reimbursement for the designated primary care codes. Physicians who newly satisfy the 60% test in 2011 should also receive the bonus payments in 2012.

Payment Matters® is not to be construed as legal or financial advice, and the review of this information does not create an attorney-client relationship.

Copyright© 2012, Ober, Kaler, Grimes & Shriver