



Florida Orthopaedic Society Medical Economics Committee Monthly Practice Management Tip



January 2004

New Medicare Fee Schedule In Effect

The Centers for Medicare & Medicaid Services and First Coast Service Options, Inc. have revised the Medicare Physician Fee Schedule to include the 1.5% average increase dictated in the Medicare Prescription Drug, Improvement, and Modernization Act signed by President Bush on December 8, 2003. The 160 page document can be printed from the First Coast web site (under Hot Topics):
www.floridamedicare.com/provider/html/mainPage.asp

Please note the overall average increase for all procedure codes for all specialties is 1.5%. However, as in recent years, the FOS has learned that a number of commonly used orthopaedic codes have been reduced in the new Medicare fee schedule. Please forward any impact studies you may perform on how the new schedule will impact your practice, including utilization. We need this data to explain the true impact of the new schedule.

New Workers Compensation Fee Schedule In Effect

The new Workers Compensation Fee Schedule for physicians went into effect on January 1st. The final draft for Providers is available on the Department of Financial Services (DFS) web site by going to: www.fldfs.com; then click on "Workers' Comp" near the top of the page in the dark green area; then in the fourth bullet, click on "Final draft version of the Florida Workers' Compensation Health Care Provider Reimbursement Manual 2004." It contains 366 pages, but you need only print those pages applicable to your practice.

Please note that the new law permits you to negotiate reimbursement with Workers Compensation carriers. This was an important victory for the FOS during the last legislative session and has been our top priority during recent years. Also, you will see a series of columns in the new fee schedule. Carriers are supposed to pay you the higher amount of the "MRA 2003" column and your "Locality" column which is determined by Medicare. Since there were a number of surgical codes that were previously reimbursed in excess of the new statutory floor (110% of Medicare for non-surgical codes and 140% for surgical codes), those reimbursements have been frozen at their previous levels. Please make sure you are reimbursed properly.

FOS Conducting Survey of Orthopaedic Marketplace in Florida

In the middle of December, the FOS distributed a survey that will provide our organization and members with some important data on the orthopaedic marketplace in Florida. The mailing was targeted to office administrators where possible or one of the surgeons in the practice. This was necessary so we maintain the accuracy of the data by receiving only one completed survey from each practice. Please make sure you locate and complete the survey utilizing the important instructions provided with the form. Please contact the Society if your practice did not receive a survey.