SCMR Payer Primer

Reimbursement for health care is provided by private insurance companies through individual or group policies and by public payers through State governments or the Federal government. The largest payer entity in the United States is the Federal government, through Medicare, Medicaid, and other programs. Well known and large private insurers include: Aetna, United Healthcare, Cigna, Humana, and the numerous, independent plans of the Blue Cross Blue Shield Association (i.e. Anthem).

Under traditional fee-for-service Medicare, the Center for Medicare and Medicaid Services (CMS) contracts with intermediaries (Medicare Administrative Contractors) that set most local coverage policies and process Medicare claims in an assigned jurisdiction. Each insurer sets reimbursement amounts and establishes coverage policies. Not every medical service or technology may be addressed by a published coverage policy. Often, insurers will make a case by case determination of coverage. Although providers do not negotiate fees with the intermediaries, there is an opportunity to advise the intermediaries and influence local coverage policies. When local coverage determination (LCD) policies are slated for review, there is a public comment period to submit feedback to the Medicare carrier. It is important to take advantage of such opportunities. For a list of Medicare Administrative Contractors and the jurisdictions they cover, go to: https://www.cms.gov/Medicare/Medicare-Contracting/Medicare-Administrative-Contractors/Who-are-the-MACs.html

Additionally, Medicare maintains National Coverage Determination (NCD) policies. These NCD policies provide uniform coverage for certain services to Medicare beneficiaries across the nation. CMS provides a searchable database of coverage policies. See: https://www.cms.gov/medicare-coverage-database/

In this era of health care reform, a payer may still pay for each visit or service furnished by a provider; however, the enactment of recent Federal laws will shift reimbursement from volume to value, meaning that new reimbursement policies will be based on the quality of care provided and stewardship of resources. SCMR encourages you to become more familiar with the Medicare Quality Payment Program (QPP). Successful completion of this program's requirements will dictate your reimbursement going forward. https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-MIPS-and-APMs.html

Get to Know Your Payers

It is a good idea to establish a relationship with the cardiology or radiology medical directors of your local payers. Get to know these people and offer to serve as a resource to them. Most major payers have physician or provider advisory committees. If you ask about these advisory slots you may be able to get appointed and influence the development of medical policies. Forming the bedrock of a working relationship will help when you need to discuss an issue of concern, whether it be getting a certain test authorized or problems with claims processing. It is best to meet the medical directors in person but if a phone call is the only practical way to reach out, do it.

What to Know Before You Meet with Your Payer

- Know your data. You can bet that your payers know it. Data should include the work you perform, what you get paid for each service you perform for each payer, as well as the mix of patients by age, diagnosis, and payer in your practice. Get input from your staff on how easy or difficult it is to work with the payers with whom you do business.
- Know your payer. You should identify the decision-maker. For example, if you need to address imaging authorizations, your contact will be a medical director. A provider representative is unlikely to be helpful in resolving pre-authorization issues. If you are looking for increased reimbursement, you need to speak with someone in contracting.
- Be familiar with the model Local Coverage Determination policy developed by the SCMR. This policy can serve as the basis for discussion about appropriate indications for coverage. Present it as a resource for your payer.