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Payment for Services Provided Under a Contractual Arrangement

Provider Types Affected

All providers who bill Medicare carriers for services rendered by a physician or other persons under a contractual arrangement.

Provider Action Needed

None, for information only. You can now submit claims for services that a physician or other persons provide for you, under a contractual arrangement, regardless of where they provide the service. You should make sure that your billing offices and contractors are aware of these changes.

Background

CMS has revised the instructions on reassignment. Specifically, Chapter 1, Section 30.2.7 of the *Medicare Claims Processing Manual* now enables a carrier to make payment to a Medicare program-enrolled entity (a person, group, or facility) that submits a claim for services provided by a physician or other person under a contractual arrangement with that entity, regardless of where the service is furnished. The service, therefore, may be furnished on or off the premises of the entity submitting the bill.

The contractual arrangement between the entity and the physician or other person should include the following program integrity safeguards:

- Joint and several liability is shared between the entity submitting the claim and the person actually furnishing the service, for any Medicare overpayment relating to such claim.
- The person furnishing the service has unrestricted access to claims submitted by the entity for the services provided by that person.

Additional Information

You can read these changes in the *Medicare Claims Processing Manual, Chapter 1 Section 30.2.7, Payment for Services Provided Under a Contractual Arrangement – Carrier Claims Only*. This manual may be found at:

http://www.cms.hhs.gov/manuals/104_claims/clm104index.asp

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