



Medicare Fact Book - AOM In US Healthcare

General Questions

What is HR646?

1 [HR646, the Federal Acupuncture Coverage Act of 2009](#), is a bill pending in the U.S. House of Representatives that will add acupuncture to Medicare and federal health Insurance., and states “The term ‘qualified acupuncturist’ means an individual who has been certified, licensed, or registered as an acupuncturist by a State (or the State regulatory mechanism provided by State law).”

It was reintroduced in the 111th Congress on January 22, 2009, as HR646.
<http://www.govtrack.us/congress/bill.xpd?bill=h111-646>

2 The [history](#) of the Federal Acupuncture Act (H.R.646) dates back to 1993. Its sponsor, Congressman Maurice Hinchey (NY), has introduced this legislation into Congress for many years.
http://www.aaaomonline.info/hinchey_hr_646_fact_sheet.pdf

What are the potential positive effects of this bill?

3 Currently, there are 45 million elderly and disabled individuals insured by Medicare. In addition, another 8 million federal employees are covered by federal health insurance. Insurance coverage reimbursement for both these potential patient groups will help propel our profession into the existing health insurance system. Additionally, it will put us at the table as a mainstream provider for health care reform initiatives. Estimates project that up to 20% of our population will become eligible for Medicare coverage over the next 20 years, thus the passage of this bill would provide AOM services and reimbursement to an ever-increasing number of people.

4 Because of this bill, AOM providers who choose may be able to build geriatric, pain management, arthritis and orthopedic procedures to meet the medical needs of these groups. The key factor is increased patient choice when AOM is incorporated into the Medicare health care delivery system.

5 Based on COBRA requirements, coverage for employees who are over 65 must be the same as for employees who are under 65. In addition, Medicare supplement and administrative services organization (ASO) entities will also be required to follow suit and include acupuncture coverage in their policies. This national recognition will allow AOM practitioners to become more accepted members of the medical community. This will facilitate easier integration of Licensed Acupuncturists into settings such as hospitals and other mainstream healthcare facilities.

6 Medicare coverage is also an essential first step in the long process towards potential inclusion in the National Health Service Corps (NHSC), a federal program that repays a portion of healthcare training loans in exchange for a commitment to practice in underserved communities for those applicants who qualify.

7 Because Medicare is viewed as a model for a possible public insurance plan in the current healthcare reform debates, eligibility to become Medicare providers will significantly enhance the prospects of provider status in any public plan that emerges from these reform efforts.

8 Summary: Successful Federal legislation would recognize AOM's contribution to patient care and expand patient access to AOM as a necessary and important step towards equity, credibility, and parity for the AOM profession. This bill will provide access to AOM for a large population of patients. Currently it is the patient that must coordinate integration of medical disciplines. AOM's access under

Medicare heightens the institutionalization of AOM in healthcare delivery, exponentially increasing the quality of patient-centered care. Whether an individual acupuncturist chooses to participate as a provider in the Medicare program or not, patients will have this additional coverage under their insurance, thus creating a larger patient base and enhanced visibility of AOM.

Based on the current Medicare system, what might be the challenges to the profession of having acupuncture in Medicare?

9 The major challenge to our practitioners will likely concern billing and documentation. While specific documentation rules will not be determined until after passage of the bill, the rules will be very explicit in their requirements. The AAAOM will need to educate its members on full compliance requirements. A baseline requirement will be the ability to generate the insurance claim forms from a computer. This may present a steep learning curve to many in our profession, regardless of the software tools already in place. To facilitate the transition, Medicare will offer training programs for those who want to learn them, just as they provide this for all other professions that enter the system.

10 Documentation supporting each claim will also be a challenge, because Medicare requires a standardized form of documentation to justify and support both the medical necessity for each treatment and the level of service being billed. Providers can be subject to audit and will have to issue refunds for claims lacking required documentation.

11 Like other Medicare participants, we will have limited or no influence over many of the terms of the program.

Practice Questions

How can I practice as a Medicare provider?

12 To understand how to practice under Medicare you need to understand the basic [rules](#).

13 Enrollment: Medicare, like any other insurance company, requires providers seeking reimbursement through the Medicare system to enroll and be fully credentialed. The process to becoming a Medicare Enrolled Provider is detailed in Appendix A. (*Reference below*)

14 Provider enrollment is standard practice for providers treating Medicare beneficiaries. When HR646 passes, most acupuncturists should enroll to access the reimbursement options available to our profession and our patients. There are exceptions to mandatory claims submission and enrollment which are detailed in Appendix A. (*Reference below*)

15 When Medicare includes acupuncture as a covered service, it should not have any affect on how you treat your patients. Care for your patients should continue to be provided based on your determination of clinically appropriate treatment and on your scope of practice.

*A Medicare Beneficiary is “a person designated by the Social Security Administration as entitled to receive Medicare benefits.”

See Appendix A for specific information from CMS about enrollment.

Must I file claims for all Medicare eligible patients?

16 Yes, you must file claims for your Medicare patients. There are some exceptions detailed in Appendix A. (*Reference below*)

Am I obligated to file claims if I treat Medicare beneficiaries?

17 Yes, unless your patients fall into an exception under Appendix A. (*Reference below*)

Will I be forced to enroll as a Medicare provider if I don't want to be one?

18 No. Those who do not wish to see or treat Medicare beneficiaries are not mandated to do so and can refer Medicare beneficiaries to other providers who will provide these services.

19 If you decide to treat Medicare beneficiaries, and all of your patients fall into the exception criteria outlined in Appendix A, then you do not need to enroll or submit claims.

19a If you decide to treat Medicare beneficiaries, even if only one of your patients does not meet the exceptions criteria, you must enroll and submit claims for that patient.

Can acupuncturists opt-out of the system?

20 While the opt-out option for acupuncturists is not written into HR646 as it stands, our lobbyists are working with Congressman Hinchey to include it into his current bill. Additionally, they are also seeking a sponsor for a companion bill in the Senate that will include the opt-out provision. At minimum, AAAOM will actively pursue the ability for providers to opt-out during administrative rules making sessions where typically this sort of provision is worked out.

21 **THE AAAOM AND THE NATIONAL GOVERNMENT AFFAIRS (NGA) COMMITTEE ARE COMMITTED TO INCLUDING AN OPT-OUT PROVISION FOR OUR PROFESSION.**

22 The opt-out provision will allow enrolled providers a way to formally disengage from the Medicare system. When a provider opts-out, the practitioner must enter into individual contracts with each patient. In essence, the patient agrees to pay the provider directly and acknowledges that Medicare will NOT provide any reimbursement to them for any services from this provider.

How can I become involved in the Medicare system after HR646 passes?

23 You will need to enroll in the Medicare system and become familiar with the documentation/charting requirements as well as the requirements associated with claims submission. Please see Appendix A. outlining enrollment. (*Reference below*)

How will HR646 affect my practice model and business?

24 If you do treat Medicare beneficiaries, then HR646 will require compliance with all Medicare Laws and Regulations.

How will HR646 affect me if I currently don't see Medicare beneficiaries and I don't intend to treat then in the future?

25 Medicare is the baseline from which all other insurance plans and third party reimbursement systems take their cues. Passage of this bill will provide federally endorsed national recognition of AOM and will provide acupuncturists with more patients and referrals from physicians as AOM expands its influence in the medical community. In addition, it will increase practice opportunities in hospitals and other facilities that previously would not allow acupuncturists to become credentialed because due to a lack of funding for services. Acupuncture will become mainstream and available as a revenue generating system for hospitals and other facilities.

26 Inclusion in Medicare will open the doors to access in other insurance plans based on what Medicare covers. NOTE: Not only seniors are covered by Medicare; those who are disabled due to certain diseases or conditions are also Medicare beneficiaries. AOM professionals provide critical access to non-medication pain management.

Will HR 646 require acupuncturists to use electronic health records?

27 No, not at this time.

Will Medicare send me patients?

28 No, Medicare will not send patients to practitioners. A patient can find both enrolled participating and non-participating providers by zip code on the Medicare.gov website.

Would services other than Acupuncture, such as cupping, moxibustion, and Tui na be covered under Medicare?

29 While acupuncture is the one service guaranteed to be covered when this bill becomes law, reimbursement for ancillary services will be requested by the AAAOM and its lobbyists when the reimbursement rules are being written by CMS. In the event that ancillary services remain uncovered, they may be billed directly to the patient without regards to any fee schedule limitations.

What about Medicaid?

30 Medicare is administrated by the federal government while Medicaid is administrated by state governments. Though changes in Medicare laws typically result in Medicaid regulation changes at the state level, it would still be determined by each state whether or not and how they want to incorporate acupuncture into Medicaid. Currently several states offer acupuncture coverage through Medicaid (Minnesota, New Mexico, Florida and Oregon).

Billing Questions

What is the maximum fee you can charge a Medicare patient?

31 CMS sets the maximum rate that may be charged for a given CPT code. For a detailed explanation of how these fees are set, see Appendix C.

How will Medicare determine which conditions are covered?

32 This will be determined after the bill passes.

How will Medicare decide the number of treatments that can be given for a particular condition?

33 This will be determined after the bill passes.

Will we be able to use a professional billing firm to do the billing?

34 Many billing services are available to help billing become routine and pain-free. Acupuncturists will be able to use these services, just like other providers use them.

Payment Questions

How will Medicare disburse funds?

35 If you have accepted an assignment of benefits, after processing your bill they will send you a check with a detailed breakdown. If you haven't accepted an assignment of benefits, the patient pays you directly and you will still get the explanation of benefits (EOB) but the checks will go to your patients.

How long does it take for Medicare to reimburse for a patient treatment?

36 Electronically submitted claims are processed faster, and mailed claims are typically handled within 4 weeks.

Documentation Questions

What diagnostic codes will we use for Medicare patients?

37 This will be determined after the bill passes.

What are the documentation requirements for an acupuncturist?

38 This will be determined after the bill passes.

We Need Your Help

Why should licensed acupuncturists and state associations financially support HR646?

39 For the past three years, attendees at the AAAOM Co-Nexus meetings have identified “recognition of acupuncture and Oriental medicine” as one of the top three MOST important issues facing members of our profession. Recognition of our profession by Medicare includes AOM practitioners as federally endorsed members of the medical teams that care for patients in this country. Expanding AOM access to millions of Americans also represents a primary growth strategy for the AOM profession.

40 The AAAOM National Government Affairs Committee (NGA) and our lobbyists, Sam Brunelli and Beth Clay, have been working diligently to educate members and staffers in Congress, the Senate, and the National Foundation for Women Legislators (NFWL) about the benefits and cost-effectiveness of AOM. Since Mr. Brunelli was hired in April 2009, to represent us in Washington, we have increased the number of co-sponsors in the House from 7 to 36 with more commitments coming in every week. They have hand delivered over 38,000 letters of support for HR646 during their meetings on Capitol Hill. In addition, numerous senators have pledged their support once the companion bill is introduced in their chamber. Our lobbyists report that they are NOT receiving any push back about this bill from anyone in either the Senate or the House. They have received positive feedback from both elected officials and their staff about personal AOM experiences. This is our time. We CAN do this and, with your support, we WILL!

41 The NGA Chairs have submitted updates for the AAAOM's *Qi Unity Report*, The American Acupuncturist and also articles for *Acupuncture Today*. The AAAOM has a presence on Facebook and other social networking outlets to educate acupuncturists and members of the community about the benefits and our need for support of HR646.

42 Passage of this bill requires consistent and multi-faceted political action at this critical time in our nation's history. Dramatic change is occurring right now as President Obama is dedicated to transforming the health care landscape. Political lobbying power in this environment is essential. Mr. Brunelli's long-term relationships with both sides of the aisle in Washington provides us with a knowledgeable and respected voice at a time that makes AOM more relevant to the health care discussion than ever before.

43 As with all bills, HR 646 will need to pass in both the House of Representatives and the Senate before being signed into law by the President. We need 80 to 100 co-sponsors to schedule a hearing and move this bill out of committee and onto the floor for a vote. **WE NEED YOUR HELP TO DO THIS.** We need thousands of new letters and personal calls for co-sponsors. Please go to <http://www.rallycongress.com/aaaom>.

We also need you to visit your congressperson and request that (s)he become a co-sponsor of HR 646. Please let us know if you need the NGA's assistance.

44 The NGA Committee has developed a national grass roots advocacy campaign that includes asking AOM colleges and students as well as licensed acupuncturists for their support.

45 By donating to the Acupuncture and Oriental Medicine Political Action Fund ([AOMPAF](#)), acupuncturists are donating not just for Medicare passage but for legislation resulting in AOM's integration into the U.S. healthcare delivery system. AOMPAF resources are allocated for efforts that expand the passage of acupuncture in Medicare (HR646), representing the security of the AOM profession, insurance parity for all states, licensure of remaining states, including herbs in the scope for all states and lobbying to become a part of all health care reform measures in the U.S.

46 If we as a community do not have the will to provide the necessary resources to address these issues, we will quickly see access and reimbursements of AOM by licensed acupuncturists diminish rather than flourish.

Who can I contact if this document doesn't fully answer my questions?

47 You can email info@aaaomonline.org and your inquiry will be directed to the proper personnel.

Appendix A- Enrollment Information

***Medicare Program Integrity Manual Chapter 10 - Medicare Provider/Supplier Enrollment – pg 9
1 – Introduction to Provider Enrollment (Rev. 218, Issued: 08-10-07, Effective: 10-01-07,
Implementation: 10-01-07)***

No provider or supplier shall receive payment for services furnished to a Medicare beneficiary unless the provider or supplier is enrolled in the Medicare program. Further, it is essential that each provider and supplier enroll with the appropriate Medicare fee-for-service contractor.

Medicare Physician Guide: A Resource for Residents, Practicing Physicians, and Other Health Care Professionals – p.28

Medicare Claims

A claim is defined as a request for payment for benefits or services received by a beneficiary. **Providers and suppliers who furnish covered services to Medicare beneficiaries are required to submit claims for their services** and cannot charge beneficiaries for completing or filing a Medicare claim.

In general, Medicare fee-for-service claims must be filed timely, which means that they must be filed on or before December 31 following the year in which the services were furnished. Services furnished in the last quarter of the fiscal year (FY) are considered furnished in the following FY.

Medicare Physician Guide: A Resource for Residents, Practicing Physicians, and Other Health Care Professionals – p. 28

Providers and suppliers are not required to file claims on behalf of Medicare beneficiaries when:

- The claim is for services for which Medicare is the secondary payer,
- The primary insurer's payment is made directly to the beneficiary, and the beneficiary has not furnished the primary payment information needed to submit the Medicare secondary claim;
- The claim is for services furnished outside the U.S.;
- The claim is for services initially paid by third-party insurers who then file Medicare claims to recoup what Medicare pays as the primary insurer (e.g., indirect payment provisions);
- The claim is for other unusual services, which are evaluated by Medicare contractors on a case-by-case basis;

- The claim is for excluded services (some supplemental insurers who pay for these services may require a Medicare claim denial notice prior to making payment);
- He or she has opted-out of the Medicare program by signing a private contract with the beneficiary; or
- He or she has been excluded or debarred from the Medicare program.

Medicare Benefit Policy Manual – Chapter 15 (rev08-07-09)

40 - Effect of Beneficiary Agreements Not to Use Medicare Coverage (Rev. 1, 10-01-03) B3-3044, PM-B-97-17

Normally physicians and practitioners are required to submit claims on behalf of beneficiaries for all items and services they provide for which Medicare payment may be made under Part B.

All physicians and practitioners or suppliers are not allowed to charge beneficiaries in excess of the limits on charges (115% of Medicare's fee schedule) that apply to the item or service being furnished.

However, a physician or practitioner (as defined in §40.4) may opt out of Medicare. A physician or practitioner who opts out is not required to submit claims on behalf of beneficiaries and also is excluded from limits on charges for Medicare covered services. (Note: Opting out of Medicare and entering into a private reimbursement contract with the patient requires the patient to pay 100% out of pocket and stops Medicare's benefits for that patient for the services provided for a period of 2 years.)

Only physicians and practitioners that are listed in §40.4 may opt out.

- The only situation that physicians or practitioners, or other suppliers, are not required to submit claims to Medicare for covered services is if in accordance with HIPAA, the beneficiary or the beneficiary's legal representative refuses, of his/her own free will, to authorize the submission of a bill to Medicare.

Appendix B

Advanced Beneficiary Notice

If a provider anticipates Medicare will not pay for a covered service, the provider must file an "Advance Beneficiary Notification (ABN)." An ABN is a document that the patient signs indicating that they choose to receive and pay for a service that the provider anticipates Medicare will not pay for. A claim must still be submitted to Medicare even though the provider expects the beneficiary to pay and expects that Medicare will deny the claim.

Medicare does not require providers to issue an ABN for services that are "statutorily excluded" (services that are never a Medicare benefit). However, you may still want the patient to sign a waiver of liability to ensure that they understand that they are responsible for the charges. For an excluded service, you can collect full payment for the services

Appendix C

How will Medicare determine fees for service? What is an RVU?

48 Final Medicare reimbursement rates for acupuncture won't be determined until the bill is passed. RVU stands for relative value units, and information on their calculation can be found at http://www.aom.info/calc_0605_rvu.pdf.

49 As of October, 2009, the Senate approved a budget that reduces reimbursements to physicians by 21%.

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