



## Announcement

### About Medicare Participation for Calendar Year 2005

The new year promises to be an exciting year for the Medicare Program, especially for beneficiaries and the physicians, providers, and suppliers which serve them. Your commitment to Medicare sustains an important lifeline to millions of seniors, disabled, and individuals with end-stage renal disease. The 2005 calendar year introduces new and important program initiatives resulting from the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA). As part of ongoing efforts to modernize Medicare, new benefits available in 2005 will help Medicare beneficiaries stay healthier and get better access to important preventive medical services. The new preventive benefits, which were authorized by the MMA, are the heart of the initiative to make Medicare a modern prevention-focused program. Central to the initiative is the "Welcome to Medicare Physical," an initial preventive examination for all new Medicare beneficiaries. The new law also provides new Medicare coverage for cardiovascular screening blood tests for the detection of cardiovascular disease or related abnormalities and coverage for diabetes screening tests for beneficiaries identified as at-risk for this illness.

Another important change for 2005 will provide a 5 percent incentive payment to both primary care and specialty physicians furnishing services to beneficiaries in those areas with low ratios of physicians to beneficiaries. These payments will be in addition to the 10 percent bonus provided to those physicians providing services in "health professional shortage areas." In most cases, Medicare will make these payments automatically so the physician will not have to take any special action to receive the additional payments.

The Medicare-Approved Drug Discount Cards are available for people with Medicare who need help with drug coverage. In addition to drug prices that are 20 percent or more lower than retail prices, beneficiaries with limited incomes who are struggling with their prescription drug costs may also be eligible for a \$600 credit to help pay for their medicines in 2005, plus substantial additional manufacturer discounts. We encourage you to promote the Medicare drug card program with your patients, especially those who are paying for their drugs out of their own pockets. People with Medicare can learn how to sign up and find the best card for them by calling 1-800-MEDICARE, by visiting [www.medicare.gov](http://www.medicare.gov), or by calling their local State Health Insurance and Assistance Program.

We are also pleased that Medicare will be increasing physician fee schedule rates by an average of 1.5 percent in 2005. Unlike prior years where a formula in the law required Medicare to reduce physician fee schedule rates, Congress and the Administration worked hard to ensure that the law would replace a projected update of minus 3.7 percent for 2005 with a 1.5 percent average increase.

All physicians, practitioners and suppliers must make their calendar year (CY) 2005 Medicare participation decision by December 31, 2004.

To sign a participation agreement is to agree to accept assignment for all covered services that you provide to Medicare patients in CY 2005.

#### WHY PARTICIPATE?

If you bill for physicians' professional services, services and supplies provided incident to physicians' professional services, outpatient physical and occupational therapy services, diagnostic tests, or

radiology services, your Medicare fee schedule amounts are 5 percent higher if you participate. Also, providers receive direct and timely reimbursement from Medicare.

Regardless of the Medicare Part B services for which you are billing, participants have "one stop" billing for beneficiaries who have non-employment-related Medigap coverage and who assign both their Medicare and Medigap payments to participants. After we have made payment, we automatically send the claim on to the Medigap insurer for payment of all coinsurance and deductible amounts due under the Medigap policy. The Medigap insurer must pay the participant directly.

The majority of physicians, practitioners and suppliers have chosen to participate in Medicare. During CY 2004, 90.3 percent of all physicians, practitioners and suppliers are billing under Medicare participation agreements.

## WHAT TO DO

If you choose to be a participant in CY 2005:

- Do nothing if you are currently participating, or
- If you are not currently a Medicare participant, complete the blank agreement enclosed and mail it (or a copy) to each carrier to which you submit Part B claims. (On the form show the name(s) and identification number(s) under which you bill.)

If you decide not to participate in CY 2005:

- Do nothing if you are currently not participating, or
- If you are currently a participant, write to each carrier to which you submit claims, advising of your termination effective January 1, 2005. This written notice must be postmarked prior to January 1, 2005.

Hold onto this announcement during this enrollment period. You may want to refer to it again before making your decision regarding Medicare participation for CY 2005.

We hope you will decide to be a Medicare participant in CY 2005.

Please call Wisconsin Physicians Service (WPS) Provider Enrollment if you have any questions or need further information on participation:

**Wisconsin, Illinois, Michigan:** (877) 908-8476  
**Minnesota:** (866) 564-0315

**To view updates and the latest information about Medicare, or to obtain telephone numbers of the various carrier contacts including the carrier medical directors, please visit the CMS Web site at: <http://www.cms.hhs.gov/>**

For Wisconsin Physicians Service (WPS), you may contact the following toll-free number(s) for assistance:

**Wisconsin:** (866) 359-1599  
**Illinois:** (866) 234-7340  
**Michigan:** (866) 234-7331  
**Minnesota:** (866) 359-1598