# Understanding Medicare Credentialing

Medicare remains the mother of all the credentialing systems in operation. And for good reason. For most practices, the majority of physician payments come from Medicare. Plus, more and more health plans are incorporating the same concepts as Medicare. With this kind of reach, you need to understand Medicare's credentialing process to successfully run your practice.

For most physician practices, Medicare requires three (3) basic applications. Medicare generated the 855 series of forms in July 2006. If your practice was in place prior to this date, you will be required to complete an 855B form if you make any changes to your practice, such as add a new physician for billing, change address, change billing, etc.

1. 855B – Establish or change a practice group number

This 48-page Medicare application is used to obtain a group number for billing purposes. Groups already participating with Medicare use the form to make changes to physician listings, such as practice ownership, phone number, address, NPI group numbers, etc.

Most sections of the Medicare 855B application include clear instructions. However, pay particular attention to the accuracy of the practice's name, bank account, contact person and officials. Any errors in these sections will cause problems with your application.

2. 855I – Establish or reactivate a physician's individual number

This 29-page form is used to obtain a physician's individual Medicare number from each state's supplier. The physician must submit a copy of the medical school diploma and NPI letter with the individual NPI number with this form. Medicare requires an 855I application if any changes are made to the physician's file (in cases where the physician received a Medicare number before the form was created). Also, Medicare will deactivate a Medicare number and require an 8551 reactivation if a significant lapse occurs in billing OR if no claims are submitted to the number issued.

3. 855R – Links the physician's individual number to the group number

The eight-page 855R is the easiest of all three Medicare forms. However, potential problems may arise with authorizations. Make sure your group's delegated official signs the form in addition to the individual being linked to the group.

With lots of directions and supplemental pages, practices easily get lost while completing these forms. If you work slowly and thoroughly in conjunction with the directions, the process for Medicare moves forward. However, if any item is incomplete or incorrect, the Medicare process can take more than six months for approval.

Adding to an already complicated process, Medicare rules and regulations also change frequently. Some important changes during the last couple of years, along with some practical advice include the following:

• NPI has recently updated its online profile. However, this update is causing major problems with Medicare billing and payments. The updated section is the provider/group identification numbers. NPI has added a slot for Medicare numbers now titled "Medicare PIN."

In the past, Medicare numbers were recognized under a selection that was titled "Medicare." Now, the Medicare numbers must be entered under Medicare PIN. Until correctly updated, Medicare will deny any claims submitted.

• Medicare instituted a major change in the effective date for reactivating physician billing privileges. The effective date will now be the later of either the date of filing the Medicare enrollment application (date stamped by Medicare), or the date the physician first began furnishing services at a new practice location.

In other words, if the physician's number has been deactivated and the application is filed 2/1/09 for reactivation as of 9/1/08, the effective date of the reactivation will be 2/1/09. Previously, Medicare would have approved the reactivation effective 9/1/08 and the practice could submit the claims once the number was reactivated.

• The Centers for Medicare and Medicaid Services have been working to decrease the number of claims payment contractors. As a result of this action, your practice may have different Medicare intermediaries. And, the intermediary may or may not be the same Medicare intermediary that processes your claims. Physician offices submit applications to a Medicare intermediary for obtaining Medicare numbers for new physicians and linking new physicians to their group.

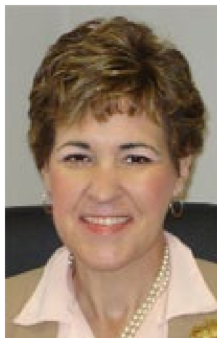
When you submit any forms to a Medicare intermediary, be sure the practice name matches exactly to your practice name on the checking account, the IRS letter and the NPI letter. For example, Doctor's Practice & Services on the NPI letter does not match Doctor's Practice and Service on the checking account.

• Physicians and group practices must remember their NPI numbers and enter them in the correct fields for all Medicare claim submissions. NPI numbers must be correctly entered into your billing system. In addition, the clearinghouse used must record the numbers correctly and also reproduce the numbers in the correct fields for all claims submissions.

• To ensure you receive claims payments, the NPI registry must be correct with all Medicare, Medicaid, Railroad, UPIN, etc. identifiers for claim. Review the NPI registry for your Group NPI and each physician's NPI.

Medical credentialing on its own presents many hurdles. Add the bureaucratic Medicare process and you can easily be overwhelmed. The key to credentialing with Medicare is to take your time and submit your information right the first time. You can avoid most of the headaches if you ensure accuracy and consistency of your credentialing information.

**ABOUT THE AUTHOR**



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