

MLN Matters Number: **MM6106 Revised** Related Change Request (CR) #: **6106**
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Health Professional Shortage Area (HPSA) Bonus Payment Policy Changes

Note: This article was revised on January 17, 2018, to update Web addresses. All other information remains the same.

Provider Types Affected

Physicians and providers submitting claims to Medicare Carriers, Medicare Administrative Contractors (A/B MACs), and/or Fiscal Intermediaries (FIs) for services provided to Medicare beneficiaries in areas designated as geographic HPSAs.

Provider Action Needed

This article is based on Change Request (CR) 6106 and informs providers who are serving Medicare beneficiaries in areas that were eligible on December 31 of the prior year for the HPSA bonus but **not on the automated ZIP code list to use the AQ modifier to receive the HPSA bonus payment**. Make sure billing staff are aware of the clarified criteria for proper use of the AQ modifier.

Background

The Section 1833(m) of the Social Security Act provides for an additional 10 percent bonus payment for physicians' services furnished to a covered individual in an area that is designated as a geographic HPSA prior to the beginning of the year in which the services were provided. Such HPSA areas are identified by the Secretary of the Department of Health and Human Services prior to the beginning of such year. The Centers for Medicare & Medicaid Services (CMS) posts a file annually of ZIP codes within which the HPSA bonus payment should be made automatically. Physicians furnishing services in areas that were eligible for the HPSA bonus prior to the beginning of the year but not on the automated list have been instructed to use the AQ modifier to receive the HPSA bonus payment.

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Key Points

- Effective for claims with dates of service on or after January 1, 2009, only services furnished in areas that are designated as geographic HPSAs as of December 31 of the prior year are eligible for the HPSA bonus payment.
- Services furnished in areas that are designated at any time during the current year will not be eligible for the HPSA bonus payment until the following year, provided they are still designated on December 31.
- If you are providing services to Medicare beneficiaries in areas that are designated on December 31 of the prior year **but not included on the list of zip codes eligible** for automated HPSA bonus payments make certain you **use the AQ modifier to receive the HPSA bonus payment.**
- Remember, your Medicare Contractor will automatically make a HPSA bonus payment to physicians **providing eligible services in a ZIP code included in the annual file.**

Additional Information

If you have questions, please contact your Medicare Carrier, FI or A/B MAC at their toll-free number which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

For complete details regarding this Change Request (CR) please see the official instruction (CR6106) issued to your Medicare A/B MAC, carrier or FI. That instruction may be viewed by going to <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1639CP.pdf> on the CMS website.

Document History

- December 2, 2008 – Initial article released.
- January 17, 2018 – The article is revised to update Web addresses. All other information remains the same.

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