

**MEDICARE PROVIDERS AND SUPPLIERS TAKE NOTE:  
PPACA Reduces the Timely Filing Deadline  
for Medicare Fee-For-Service Claims to One Year**

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In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act (“**PPACA**”) and related legislation which provide significant changes in the delivery of health care. One provision that impacts Medicare operations immediately is Section 6404 of PPACA. Section 6404 reduces the statutory timely filing deadline for Medicare fee-for-services claims under Medicare Parts A and B to one (1) year, effective for all Part A and B services furnished on or after January 1, 2010. This provision is self-executing.

Prior to PPACA, the Social Security Act (the “**Act**”) specified in Sections 1814(a) and 1835(a)(1) that the timely filing deadline for Medicare fee-for-service claims under Medicare Part A and for certain provider services under Medicare Part B was three (3) years, unless the Secretary specified a shorter time period but not less than one year. Section 1842(b)(3) specified that the timely filing deadline for the remainder of services furnished under Medicare Part B was the end of the calendar year following the federal fiscal year in which the service was furnished and did not provide any discretion to the Secretary to specify a shorter time period. The Secretary exercised discretion under Sections 1814(a) and 1835(a)(1) to create a uniform timely claims filing deadline across Medicare Parts A and B. Specifically, in 42 C.F.R. § 424.44, the Secretary adopted rules specifying that the timely filing deadline for all fee-for-service claims under Medicare Parts A and B was the end of the calendar year following the federal fiscal year in which the service was furnished. For example, services furnished in federal fiscal year 2009 (which runs from October 1, 2008, to September 30, 2009) would be due by December 31, 2010. Thus, depending on when in the calendar year the service was provided, the historical Medicare Parts A and B claims filing deadline ranged from 15 to 27 months from the date of service.

Section 6404 of PPACA reduces the Medicare Parts A and B claims filing deadline to one (1) **calendar** year after the date of service and gives the Secretary authority to specify “exceptions” to this timely filing deadline. Section 6404 does not limit the nature of the exceptions and, in particular, does not specify whether an exception may be created to shorten or lengthen the new one-year timely claims filing deadline. As part of the rulemaking process to implement the new timely claims filing deadline, we anticipate that CMS will consider proposals for exceptions. However, at this time, no exceptions have been established and the new Medicare one-year rule, itself, does not necessarily require rulemaking.

As part of the transition to the new Medicare one-year rule, Section 6405 also alters the timely filing deadline for claims under Medicare Parts A and B with dates of service prior to January 1, 2010. Specifically, Section 6404 provides that Medicare claims with dates of service prior to January 1, 2010, must be filed by December 31, 2010. This shortens the timely claims filing deadline for Medicare claims with dates of service from October 1, 2009, through December 31, 2009, by reducing the historical timely claims filing deadline for these particular Medicare claims from December 31, 2011, to December 31, 2010.

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*This Client Alert was authored by **Lynn Shapiro Snyder** and **Clayton J. Nix**. For additional information about the issues discussed in this Client Alert, please contact one of the authors or contributors or the EpsteinBeckerGreen attorney who regularly handles your legal matters.*

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