

## Bellaire Neurology

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Dear Medicare Patient;

I believe my office runs a different kind of medical practice than many physicians these days. I take time to talk to my patients and try to order tests only when necessary. We have a system in place where we send reminders out to patients who need to schedule appointments and confirm patients before each appointment. We also have a system where we attempt to track down those patients who have not kept their follow up appointments. We take phone calls and emails from patients with questions and I continue to answer my pages after hours and on weekends except when I am physically unable to do so. Medicare pays for none of the above services.

Medicare physician reimbursements essentially have not changed in the last several years are scheduled to be cut by 10% on July 1, 2008. Congress intervened temporarily to prevent the cut that was scheduled on January 1, 2008 but needless to say, there is no attempt to keep up with practice costs. Until the last couple of years Medicare worked to make medical billing and reimbursement straightforward and this compensated somewhat for its low reimbursement.

Therefore, as of January 1, 2008, we will not accept assignment for Medicare claims. **The only difference will be that you will pay my office at the time of the visit and then Medicare will send a check directly to you for reimbursement. You will also receive a second check directly from your secondary plan (if you have one).** Our office will handle the filing of your claims to both Medicare and your secondary insurance company. You will not have to file the claims yourself.

We will charge the government controlled rate for my services. For new patients, the most common charge will go from \$179.25 to \$195.83. If you have no Medicare secondary, your cost would be \$59.60. Those with Medicare Medigap policies A, B, C, D, E, and H would have a cost of \$25.54. Those with Medicare Medigap policies F, I, or J would still pay nothing out of pocket.

For my most common follow-up billing code, the change of fee will be from \$91.28 to \$99.78. If you have no Medicare secondary, your cost would be \$30.35. Those with Medicare Medigap policies A, B, C, D, E, and H would have a cost of approx. \$13.19. Those with Medicare Medigap policies F, I, or J would still pay nothing out of pocket. With this change, I hope to continue in the Medicare program going forward.



	2008 Medicare Rate (Assignment)	<b>2008 Medicare Rate (Non-Assignment)</b>	Amount Medicare Reimburses Directly to Patient <sup>1</sup>	Dr. Loftus' Usual and Customary Rate
Follow Up Office Visit	\$91.28	<b>\$99.78</b>	\$69.38	\$166.66
New Patient Office Visit	\$177.51	<b>\$193.92</b>	\$134.90	\$277.78

<sup>1</sup> Medicare will reimburse the patient once the yearly deductible has been met. If the patient has a secondary insurance they may also receive a second check directly from them.

I also want to take this opportunity to let you know about a new program Congress began for Medicare a couple of years ago, ironically called the Medicare Advantage program. In this program, you, the patient, give up your usual Medicare options and enter what is essentially a Medicare HMO program. This program increases physician costs in the area of practice billing and reimbursement. These programs pay the same or less than traditional Medicare. Since Medicare is my lowest payer, I cannot afford to absorb any additional costs therefore I have never accepted these plans. **Therefore, if you have a Medicare Advantage plan, you will have to file yourself with your insurance plan for reimbursement and I cannot guarantee you what the reimbursement will be.**

There are four types of Medicare Advantage Plans. They are known as:

- Medicare Health Maintenance Organization (HMO) Plans
- Medicare Preferred Provider Organization (PPO) Plans
- Medicare Private Fee-for-Service (PFFS) Plans
- Medicare Special Needs Plans

We also do not accept Medicare Select Plans. If you have coverage thru a Medicare replacement program then you will have to pay our office at our usual and customary Medicare fee schedule at the time of your office visit and file with your Medicare replacement insurance plan directly. I could charge the standard usual and customary rates but I feel that this is not ethical since the patient obviously qualifies for Medicare.

Congress has been funding these plans above the cost of traditional Medicare. It is clear that these plans are an advantage to insurance companies, but certainly not to physicians. Many patients who are on these plans claim to have no knowledge that they would not be able to see any physician they choose and seem surprised by plan limitations. It is my opinion that the Medigap policies that were previously the only supplemental plans available and the only ones patients used to buy, made more sense for everyone. I strongly recommend before you join one of these Medicare Advantage plans, you check with every physician you see and ask whether or not they accept these plans.

You can find more information on Medigap plans available to you by zip-code at Medicare's website - [www.medicare.gov](http://www.medicare.gov). Click "**Medicare Health Plans - 2008 Plan Data**" and then click the button "**Find and Compare Medigap Policies**" or type the following link into your browser exactly as it is displayed below:

**[www.medicare.gov/MPPF/Include/DataSection/Questions/SearchOptions.asp](http://www.medicare.gov/MPPF/Include/DataSection/Questions/SearchOptions.asp)**

If you have any questions about anything in this letter, please do not hesitate to contact Blakely Long, my practice manager or myself. Her direct phone number is 281-768-3969 and her email is [BLong@BellaireNeurology.com](mailto:BLong@BellaireNeurology.com).

Sincerely,

Brian D. Loftus, MD