Effective January 6, 2014, the Centers for Medicare and Medicaid Services (CMS) will implement the Provider Enrollment Chain and Ownership System (PECOS) phase 2 edits. This edit requires that a valid National Provider Identifier (NPI) of the ordering or referring health care provider enrolled in CMS' Medicare PECOS be listed on the claim. If the ordering provider is not enrolled, CMS will deny all claims including the imaging services ordered by the non-enrolled physician. The following are the provider types affected by this edit:

- Physicians and non-physician practitioners (including interns, residents, fellows, and those who are employed by the Department of Veterans Affairs (DVA), the Department of Defense (DoD), or the Public Health Service (PHS)) who order or refer items or services for Medicare beneficiaries,
- Part B providers and suppliers of Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) who submit claims to carriers, Part A/B Medicare Administrative Contractors (MACs), and DME MACs for items or services that they furnished as the result of an order or a referral, and
- Part A Home Health Agency (HHA) services who submit claims to Regional Home Health Intermediaries (RHHIs), Fiscal Intermediaries (FIs, who still maintain an HHA workload), and Part A/B MACs.
- Optometrists may only order and refer DMEPOS products/services and laboratory and X-Ray services payable under Medicare Part B.

PECOS edits were delayed by CMS in December 2009 until April 2010, extended again until January 2011, and once more in May 2013 until present. During that time, the ACR published several articles including, *PECOS Phase 2 Edits Temporarily Delayed*, *ACR Concerned with PECOS Enrollment*, *PECOS Enrollment for Referring Physicians Delayed*, and *PECOS May Cost You Some Pesos* [Journal of the American College of Radiology Vol. 7, Issue 7, Pages 475-476].

These articles strongly urged ACR members to contact their referring and ordering physicians not on the Eligible Referring/Ordering Physician List [http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/MedicareOrderingandReferring.html] and inform them to enroll in the PECOS. The ACR continues to urge members to contact their referring physicians to ensure they are enrolled prior to the January 6, 2014 implementation date.

The Affordable Care Act and 42 CFR 424.507 require claims submitted for imaging services identify the ordering or referring physician or practitioner. This requirement affects IDTFs, mammography centers, portable x-ray facilities and radiation therapy centers. The ordering/referring denial edit applies only to the technical component of imaging services, and the professional component will be excluded from the PECOS edits. It is important to note that when billing globally, if the ordering (referring) physician requirement is not met, the edit will trigger and the entire claim will be denied. Therefore, CMS recommends that providers who currently submit global charges report the professional and technical components separately to prevent a denial for the professional component.

Please refer to CMS SE1305 for the CMS MLN Matters Article on the full Implementation of edits on the ordering/referring providers in Medicare Part B, DME, and Part A Home Health Agency (HHA) Claims (Change Requests 6417, 6421, 6696, and 6856). Please contact Anita Mclothlin in the Department of Economics and Health Policy with your questions regarding the PECOS enrollment requirements at amclothlin@acr.org.