

Revisions to the CMS1500 Form Are on the Way

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Q: I heard that there is going to be a new CMS1500 (formerly known as HCFA1500) form. Will this mean that I have to get a new billing program, and when will I have to start using the new form?

A: What you heard is correct; there are some changes occurring to the CMS1500. The revised form can be used as early as Oct. 1, 2006, but there will be dual acceptability with the current version. This dual acceptability will remain in effect until Jan. 31, 2007. Beginning Feb. 1, 2007, the revised version will be mandatory for use.

The revision includes some visible changes to the form, but none too drastic. One of the driving factors of the change is to rename certain blocks, but also to accommodate the use of the National Provider Identifier (NPI) numbers. The upper half of the form remains essentially unchanged, except to extend the region for the year of birth to accommodate a four-digit year.

The bottom section of the form has an added line in 17a to allow the placement of the NPI, and in block 24d, the region to place modifiers has been expanded to allow up to four modifiers per code. Block 24e has been renamed as "diagnosis pointer" to clarify that the section is used to "point" or reference what particular diagnosis in block 21 is being treated with the specific service on the line. There is a change for block 24j which now is titled "rendering provider I.D." and has space for the rendering provider's NPI number.

Block 32 is now titled "service facility location information" and block 33 is "billing provider information and phone number." We now can understand why in 2004, Medicare made the change to have us fill out block 32; it was to prepare us for this latest change.

These are the basic changes. Considering that they are not particularly striking, when you see the new form, it will look virtually the same at a glance. But of course, software to fill out the forms will have to change. It appears so far that most companies producing billing software are simply giving away the update for the software, which makes sense since it is such a small change. Be sure to check with your software manufacturer as to how it will be accommodating the update.

I recommend that if you have a lot of the old forms, use them; there is no reason to waste them. However, remember that by the first of the year, you will need to start using the new form. Note that the cost of the CMS1500 forms is not exorbitant, and even if some of the old forms will have to be disposed of, it should not be a major inconvenience in terms of either cost or time.

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