

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 patients who have not kept their follow up appointments. I also take phone calls and emails from patients with questions and 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 and there has been 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, my office does not accept assignment for Medicare claims. **The only difference is that you pay my office at the time of the visit and then Medicare sends a check directly to you for reimbursement after your yearly Medicare deductible has been met. . 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 charge the government-controlled rate for my services. The charge for the most common “new patient appointment” is approximately \$220. You will receive a check from Medicare for about \$150. If you do not have a secondary plan, your total out of pocket cost once you receive reimbursement from Medicare is approximately \$70. The fee for the most common “follow-up appointment” is approximately \$112. If you have no Medicare secondary, the cost after you receive reimbursement from Medicare is approximately \$35.

The following table shows illustrates the differences in the fee and reimbursement amounts for accepting assignment from Medicare, not accepting assignment from Medicare and our usual and customary rates. The amounts below are approximates.



	Typical Medicare Rate (Assignment)	Amount You Will Pay (Medicare Limiting Charge)	Amount Medicare Will Reimburse You	Dr. Loftus' Usual and Customary Rate (Normal Cash Fee)
Follow Up Office Visit	\$100	\$112	\$78	\$182.36
New Patient Office Visit	\$200	\$220	\$150	\$305.88

I also want to take this opportunity to let you know about a program Congress began for Medicare a couple of years ago, ironically called the Medicare Advantage program. In this program the patient gives up their 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 and pays the same or less than traditional Medicare. Since Medicare is my lowest payer, I cannot afford to absorb any additional costs therefore I do not accept these plans. **You can still be a patient if you have a Medicare**

Advantage plan but you will have to file yourself with your insurance plan for reimbursement. I cannot guarantee you what the reimbursement amount 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. Before you join a Medicare Advantage plan, I strongly recommend 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.

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.

Sincerely,

Brian D. Loftus, MD