MAC JE/JF Regional Caucus
Cedarbrook Lodge – 7/21/2018

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Disclosure of Financial Relationships

Richard W. Whitten, MD

Has no relationship with any proprietary entity producing health care goods or services.
Changing / Being Considered:

• MPFS – Proposed Rule & Specific Changes

• E&M Services in particular

• Resident & Student supervision

• LCD Process changes under 21st Century Cures Act
OPPS & Physician Offices

“We continue to believe the amendments made by section 603 of the Bipartisan Budget Act of 2015 were intended to eliminate the Medicare payment incentive for hospitals to purchase physician offices, convert them to off-campus PBDs, and bill under the OPPS for items and services they furnish there.” (p. 127)
“§1833(t)(1)(B)(v) and (t)(21) of the Act require that certain items and services furnished by certain off-campus provider-based departments (PBDs) (collectively referenced here as nonexcepted items and services furnished by nonexcepted off-campus PBDs) shall not be considered covered outpatient department services for purposes of payment under the Hospital Outpatient Prospective Payment System (OPPS), and payment for those nonexcepted items and services furnished on or after January 1, 2017 shall be made under the applicable payment system under Medicare Part B if the requirements for such payment are otherwise met.” (p. 115)
Specific Services

- Fine Needle Aspiration (p. 146)
- PICC Line Procedures (p. 163)
- Biopsy or Excision of Inguinofemoral Node(s) (p. 168)
- Removal of Intraperitoneal Catheter (p. 173)
- Magnetic Resonance Elastography (p. 200)
- Blood Smear Interpretation (85060, p. 208)
- Bone Marrow Interpretation (85097, p.209)
Specific Services

• Interprofessional Internet Consultation (& changes from “B” to “A” status; p. 238)
• Brief Communication Technology-based Service, e.g. Virtual Check-in (HCPCS code GVCI1; p. 247)
• Visit Complexity Inherent to Certain Specialist Visits (HCPCS code GCG0X; p. 248)
Evaluation & Management (E/M) Visits (p. 323 et seq)

- All E/M visits ~ 40 % of allowed charges for PFS services
- Office/outpatient E/M visits ~ 20 % of allowed charges for PFS services
- “…outdated” and “…needs to be revised”
- “…when counseling and/or coordination of care accounts for more than 50 percent”: time
E&M$_2$

• “...history & exam portions of the guidelines are most significantly outdated with respect to current clinical practice.” (p. 331)

• “...remove requirement record document medical necessity of furnishing the visit in the home rather than office” (p. 333)

• “...Eliminate Prohibition on Billing Same-Day Visits by Practitioners of Same Group & Specialty” (p. 333)
E&M₃

• “Removing Redundancy in E/M Visit Documentation” (p. 343)

• “…allow practitioners to choose, as an alternative to the current framework specified under the 1995 or 1997 guidelines, either MDM or time as a basis to determine the appropriate level of E/M visit” (p. 335)

• “single rate under the PFS that would be paid for services billed using the current CPT codes for level 2 through 5 E/M visits” (p. 335)
Comparison of Payment Rates for Office Visits New Patients

<table>
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<tr>
<th>HCPCS Code</th>
<th>CY 2018 Non-facility Payment Rate</th>
<th>CY 2018 Non-facility Payment Rate under the proposed Methodology</th>
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Comparison of Payment Rates for Office Visits Established Patients

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Three types of E/M visits that differ from typical (p. 351)

• Separately identifiable E/M visits furnished in conjunction with a 0-day global procedure
• Primary care E/M visits for continuous patient care
• Certain types of specialist E/M visits, including those with inherent visit complexity
Teaching (Resident) Physicians

Delete requirement teaching physician document extent of participation in review and direction of the services furnished to each beneficiary, and adding that record must document extent of teaching physician’s participation in review and direction of services furnished, and this may be demonstrated by the notes of physician, resident, or nurse. (p. 377)
Teaching (Student) Physicians

• may join to, correct and use the student’s note (R4068CP)
• “performed (or re-performed) and/or personally supervised the student’s performance of the physical exam and medical decision making activities of the E/M service being billed.”
21st Century Cures Act - LCDs

- More formal, yet more “transparent” process
- All clinical professionals
- May reduce to one CAC per region
- Still both “Open Meeting” & “CAC Meeting”
- Frequency determinable by MAC & situations
- LCD challenge process remains about as now
Other Issues

• 340B Drug Payment Reduction
  All hospitals under OPPS (other than CAH) are currently paid the same rate for separately payable drugs (ASP+6 percent), regardless of whether the hospital purchased the drug at a discount through the 340B Program. The new rule decreases the payment for drugs purchased through the 340B program from ASP+6% to ASP-22.5% (for an overall decrease of 28.5%)
OPPS & Physician Offices

“…we continue to believe the payment policy under this provision should ultimately equalize payment rates between nonexcepted off-campus PBDs and physician offices to the greatest extent possible…” (p. 127)
Thank you. Comments/discussion welcome:

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