

## **2021 Medicare Physician Fee Schedule Summary for Tri-society Policy Alert**

On Aug. 3 and 4, 2020, the Centers for Medicare and Medicaid Services (CMS) released two proposed policy and payment regulations for calendar year (CY) 2021. Please find below a brief summary of each rule highlighting the important changes to gastroenterology. Release of the final rules may be delayed, but all provisions will be effective on Jan. 1, 2021.

### **2021 Medicare Physician Fee Schedule (MPFS) Proposed Rule**

#### **Colonoscopy and esophagogastroduodenoscopy (EGD) values affirmed**

- CMS proposes to maintain the current values of colonoscopy with biopsy (45385) and EGD with biopsy (43239). We thank everyone who received and completed a survey. It would have been impossible to successfully defend these codes without accurate data from GIs. These procedures were identified as potentially overvalued by Anthem, a major player in the U.S. health insurance market, and CMS announced they would be revalued. The GI societies' data affirmed the current values.
- Liver elastography (91200) was revalued as part of a new technology review and CMS has proposed to accept the RUC recommendation of 0.21 physician work relative value units (RVUs) based on data from gastroenterologists who perform the procedure.

#### **Conversion factor decreases**

The proposed 2021 physician fee schedule conversion factor is \$32.26, which is a decrease of \$3.83 from the 2020 conversion factor.

#### **GI Societies to argue against reduction**

Due to CMS budget neutrality rules, many specialties, including gastroenterology, will face 2021 payment cuts. The estimated impact to GI is -5%.

- The GI societies joined the AMA and others in urging Congress and CMS to forgo budget neutrality rules for the implementation of the changes in evaluation and management (E/M) services effective 2021.
- We also joined with AMA and over 100 specialty societies in a [letter](#) asking Secretary of HHS Alex Azar that the agency use its authority under the public health emergency (PHE) declaration to waive budget neutrality for the changes.

We argue that reductions, particularly at this time during the pandemic, are unacceptable and not sustainable. The GI societies will continue to work to fight these cuts.

#### **CMS affirms CPT 2021 E/M changes and valuations**

CMS generally accepts the new [E/M code and guideline changes for CPT 2021](#) and recommended relative value changes. Details on the new CPT coding framework:

- History and exam will no longer be used to select the level of code for office/outpatient E/M visits. Instead, an office/outpatient E/M visit will include a medically appropriate history and exam, when performed.
- The clinically outdated system for number of body systems/areas reviewed and examined under history and exam will no longer apply.
- Documentation of the history and exam components are no longer compulsory, but should be documented in some situations.

# Telehealth

## **Telephone E/M payment parity end with public health emergency**

In March, CMS established separate payment for audio-only telephone evaluation and management service codes 99441-99443 equal to office/outpatient established patient E/M codes 99212-99214. CMS is proposing to stop recognizing the telephone E/M codes after the PHE expires.

Instead, CMS is seeking feedback on the need for audio-only interactions and the potential to develop coding and payment for a service similar to the virtual check-in, but for a longer unit of time and with an accordingly higher value. The GI societies will continue to advocate for permanent payment parity with in-person E/M visits.

## **CMS proposes a new way to add services to the telehealth list on a temporary basis**

CMS is looking at options to keep telehealth services that were added during the PHE on the telehealth list until the end of the calendar year in which the public health emergency ends. The GI societies are advocating to make telehealth changes permanent and maintain current payment levels to ensure patient access and to help reduce health disparities experienced by people of color and people living in rural communities.

## **Direct supervision allowed via telehealth**

CMS is proposing to allow “incident-to” services to be provided via telehealth and under direct supervision of the billing physician or professional. This means physicians can now supervise residents using telehealth. Medicare clarified this policy in May through interim final rulemaking and has reaffirmed it here.

# Reimbursement

## **CMS increases payment for common endoscopy equipment**

Based on evidence from the GI societies, CMS proposes to update the price for scope video system equipment (ES031) from \$36,306 to \$70,673.38 and the suction machine (Gomco) (EQ235) from \$1,981.66 to \$3,195.85, phased in over two years. The GI societies worked with CMS for three years to update the prices of GI endoscopes and associated equipment, many of which had not been updated to reflect current prices in decades.

## **Merit-Based Incentive Program (MIPS) changes**

CMS proposes the following performance threshold and category weights for the 2021 performance period (which impacts your CY 2023 payment year):

- The performance threshold to be 50 points. In the CY 2020 PFS Final Rule, CMS finalized a performance threshold of 60 points for the 2021 performance period but is now proposing and soliciting comment on a lower performance threshold of 50 points. Additional performance threshold remains at 85 points for exceptional performance.
- The Quality performance category to be weighted at 40% (5% decrease from 2020)
- The Cost performance category to be weighted at 20% (5% increase from 2020)
- The Promoting Interoperability performance category to be weighted at 25% (no change from 2020)

- The Improvement Activities performance category to be weighted at 15% (no change from 2020)
- As required by statute, the maximum negative payment cut is -9%. This will impact your CY 2023 Medicare PFS payments.

#### **Gastroenterology quality measures remain largely unchanged from the 2020 program year**

- Per the GI societies' recommendation, measure 390 – *Shared Decision Making for HCV Patients* – is proposed for retirement. Given the advances in hepatitis C virus (HCV) treatment, the measure is no longer relevant. Measure 390 will be retired for the 2021 performance year.
- The denominator for measure 439 – *Age Appropriate Screening Colonoscopy* – was revised to all colonoscopies of patients aged 50 and older to look at all patients undergoing screening colonoscopy as the target population, and an exclusion for those patients 50 to 85 years of age was added. By defining the target population as such, more providers will meet the threshold for reporting on this measure, including those doing lower volumes. CMS agreed with these recommendations.

#### **CMS delays MIPS Value Pathways to 2022**

MIPS Value Pathways (MVPs) original framework was to begin with the 2021 performance period. However, CMS proposed that MVPs will not be available for MIPS reporting until the 2022 performance period, or later.

#### **2021 Medicare Hospital Outpatient Prospective Payment and Ambulatory Surgical Center (ASC) Payment Systems Proposed Rule**

##### **Proposed conversion factors:**

- \$83.697 for hospitals meeting facility quality reporting requirements
- \$48.99 for ASCs meeting the quality reporting requirements

##### **No ASC cost reporting requirements added**

CMS continues to recognize the submission of cost data could place additional administrative burden on most ASCs.

##### **Increased procedures on the ASC List**

Currently, CMS follows specific policies and procedures when adding procedures to the List of ASC Covered Surgical Procedures. CMS proposes exploring alternative proposals for adding procedures that can be safely performed in ASCs, such as a public nomination process and adjustments to evaluation criteria. Changes that would increase the number of procedures on the list of ASC approved services could further CMS' goal to promote site neutrality between the hospital outpatient department and ASC.

##### **New Medicare pass-through code for single-use endoscopes**

CMS created a new device pass-through code (C1748) for single-use endoscopes, such as the EXALT™ Model D Single-Use Duodenoscope. This code is specific to the single-use technology and not the specific model.

C1748 - Endoscope, single-use (i.e. disposable), upper GI, imaging/illumination device (insertable)

Beginning July 1, 2020, hospitals may use C1748 to bill single-use upper GI endoscopes when used in the treatment of Medicare patients in the hospital outpatient setting for endoscopic retrograde cholangiopancreatography (ERCP) procedures. This device-specific payment is in addition to the payment for the following ERCP procedures: 43260-43265, 43274-43278.

**CMS considers a new pass-through payment for Hemospray®**

Cook Medical has asked CMS to consider a new pass-through payment in 2021 for Hemospray® Endoscopic Hemostat, a prescription use device consisting of a hemostatic agent and a delivery System for hemostasis of nonvariceal gastrointestinal bleeding, that could be used with GI endoscopy codes 43227, 43255, 44366, 44378, 44391 45334, and 45382. CMS is inviting public comment on whether it meets the device pass-through payment criteria discussed in this section, including the cost criterion for device pass-through payment status.

**New code for IBD effective April 1, 2020**

CMS created a new HCPCS code for serodiagnosis of Inflammatory Bowel Disease (IBD) (e.g., Prometheus® IBD sgi Diagnostic™ Test) and is asking for public comments.

0164U - Gastroenterology (irritable bowel syndrome [IBS]), immunoassay for anti-CdtB and anti-vinculin antibodies, utilizing plasma, algorithm for elevated or not elevated qualitative results

**The GI societies continue to be strong advocates in support of the following issues in the proposed rules:**

- Permanent establishment of telehealth services approved during the COVID-19 pandemic
- Payment parity across in-person telehealth (video and audio-only)
- Foregoing of budget neutrality as it relates to E/M services

**2021 MPFS charts**

[E/M RVU chart](#)

[E/M payment rate chart](#)

[GI services RVU chart](#)

[GI services payment rate chart](#)

**2021 ASC charts**

[ASC payment rates chart](#)

[ASC top 10 codes payment rates chart](#)

**2021 HOPD charts**

[HOPD payment rates chart](#)

[HOPD top 10 codes payment rates chart](#)