CY2020 Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) Payment System Proposed Rule Summary

The Centers for Medicare & Medicaid Services (CMS) published the Calendar Year (CY) 2020 Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) Payment System Proposed Rule. Comments on the proposed rules are due by Sept. 27, 2019. The Final Rule will likely be released in early November, and new payment provisions will go into effect on Jan. 1, 2020.

Among notable changes, CMS proposes to continue payment reductions to hospitals purchasing 340B drugs, builds on price transparency guidance by including payer-specific negotiated rates and continues the last phase of site-neutral payment reductions for hospital outpatient clinic visits provided at off-campus, provider-based departments.

To learn more about the OPPS and ASC proposals, review the following resources:

- Proposed Rule
- CMS Press Release
- CMS Fact Sheet

Below is a summary of the highlights of the Proposed Rule:

Proposed HOPD Payment Updates

CMS proposes a 2.7 percent increase in the OPPS conversion factor (CF). The increase is based on the proposed hospital inpatient market basket increase of 3.2 percent for inpatient services reimbursed under the Inpatient Prospective Payment System (IPPS), minus the proposed multifactor productivity (MFP) adjustment of 0.5 percent. CMS anticipates the CY 2020 CF update, along with changes in enrollment, utilization and case mix, will result in total payments of approximately $79 billion to HOPD providers, an increase of approximately $6 billion from CY 2019 payment estimates. Hospital outpatient departments (HOPDs) failing to meet quality-reporting requirements will continue to receive a 2.0 percent reduction in payments for OPPS services.

Below is a chart highlighting CY2020 proposed APC groupings and payment amounts:

CPT1/ HCPCS	Descriptor	Final 2019 APC rate	Proposed 2020 APC Rate	Diff $	Diff %	Final 2019 APC	Proposed 2020 APC	Proposed 2020 APC Descriptor
Transthoracic Echocardiography								
93303	Echo transthoracic	$497.49	$ 474.44	$(23.05)	-5%	5524	5524	Level 4 Imaging without Contrast
93304	Echo transthoracic	$497.49	$ 474.44	$(23.05)	-5%	5524	5524	Level 4 Imaging without Contrast
93306	TTE w/doppler complete	$497.49	$ 474.44	$(23.05)	-5%	5524	5524	Level 4 Imaging without Contrast
93307	TTE w/o doppler complete	$230.56	$ 231.28	$ 0.72	0%	5523	5523	Level 3 Imaging without Contrast
93308	TTE f-up or lmtd	$230.56	$ 231.28	$ 0.72	0%	5523	5523	Level 3 Imaging without Contrast
Transesophageal Echocardiography								
93312	Echo transesophageal	$497.49	$ 474.44	$(23.05)	-5%	5524	5524	Level 4 Imaging without Contrast
93313	Echo transesophageal	$497.49	$ 474.44	$(23.05)	-5%	5524	5524	Level 4 Imaging without Contrast
93314	Echo transesophageal	$497.49	$ 474.44	$(23.05)	-5%	5524	5524	Level 4 Imaging without Contrast
93315	Echo transesophageal	N/A	N/A					
93316	Echo transesophageal	$230.56	$ 474.44	$243.88	51%	5523	5524	Level 4 Imaging without Contrast
93318	Echo transesophageal intraop	$497.49	$ 474.44	$(23.05)	-5%	5524	5524	Level 4 Imaging without Contrast
Doppler Add-on Codes								
93320	Doppler echo exam heart	N/A	N/A	N/A	N/A	N/A	N/A	N/A
93321	Doppler echo exam heart	N/A	N/A	N/A	N/A	N/A	N/A	N/A
93325	Doppler color flow add-on	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Stress Transthoracic Echocardiography								
93350	Stress tte only	$497.49	$ 474.44	$(23.05)	-5%	5524	5524	Level 4 Imaging without Contrast
93351	Stress tte complete	$497.49	$ 474.44	$(23.05)	-5%	5524	5524	Level 4 Imaging without Contrast
93352	Admin ecg contrast agent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
93355	Echo transesophageal (TEE)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Duplex Studies								
93880	Extracranial bilat study	$230.56	$ 231.28	$ 0.72	0%	5523	5523	Level 3 Imaging without Contrast
93882	Extracranial uni/ltd study	$112.51	$ 111.04	$ (1.47)	-1%	5522	5522	Level 2 Imaging without Contrast
Contrast APCs								
C8921	TTE w or w/o fol w/cont, com	$691.75	$ 682.96	$ (8.79)	-1%	5573	5573	Level 3 Imaging with Contrast
C8922	TTE w or w/o fol w/cont, f/u	$691.75	$ 682.96	$ (8.79)	-1%	5573	5573	Level 3 Imaging with Contrast
C8923	2D TTE w or w/o fol w/con,co	$691.75	$ 682.96	$ (8.79)	-1%	5573	5573	Level 3 Imaging with Contrast
C8924	2D TTE w or w/o fol w/con,fu	$385.88	$ 373.45	$(12.43)	-3%	5572	5572	Level 2 Imaging with Contrast
C8925	2D TEE w or w/o fol w/con,in	$691.75	$ 682.96	$ (8.79)	-1%	5573	5573	Level 3 Imaging with Contrast
C8926	TEE w or w/o fol w/cont,cong	$691.75	$ 682.96	$ (8.79)	-1%	5573	5573	Level 3 Imaging with Contrast
C8927	TEE w or w/o fol w/cont, mon*	$691.75	$ 682.96	$ (8.79)	-1%	5573	5573	Level 3 Imaging with Contrast
C8928	TTE w or w/o fol w/con,stres	$691.75	$ 682.96	$ (8.79)	-1%	5573	5573	Level 3 Imaging with Contrast
C8929	TTE w or wo fol wcon,Doppler	$691.75	$ 682.96	$ (8.79)	-1%	5573	5573	Level 3 Imaging with Contrast
C8930	TTE w or w/o contr, cont ECG	$691.75	$ 682.96	$ (8.79)	-1%	5573	5573	Level 3 Imaging with Contrast

Site Neutral Payments for Hospital Clinic Visits

As finalized in CY2019 OPPS/ASC final rule, CMS will complete implementation of the two-year phase-in of applying the Medicare Physician Fee Schedule (MPFS) rate for the clinic visit service (G0463 – Hospital outpatient clinic visit for assessment and management of a patient) when provided at an off-campus PBD and reimbursed under OPPS. This clinic visit is the most common service billed under OPPS and typically occurs in the physician office. CMS instituted the proposal based on its authority to restrict unnecessary increases in the volume of covered services. CMS projects that the proposal will save the Medicare program $810 million and lower the average beneficiary copayments from $23 to $9 in 2020.

Increasing Price Transparency of Hospital Standard Charges

CMS is proposing to implement the Executive Order on Improving Price and Quality Transparency and further implement Section 2718(e) of the Public Health Service Act requiring that U.S. hospitals annually make public a list of standard charges for items and services, via:

- defining "hospital," "standard charges," and "items and services"
- requirements for making public a machine-readable file online that includes all standard charges for all hospital items and services
- requirements for making public payer-specific negotiated charges for a limited set of 'shoppable' services that are displayed and packaged in a consumer-friendly manner, and
- monitoring for hospital noncompliance and actions to address hospital noncompliance (including issuing a warning notice, requesting a corrective action plan and imposing civil monetary penalties), and a process for hospitals to appeal these penalties

Definition of Hospital Items and Services: "Hospital" is "an institution in any State in which State or applicable local law provides for the licensing of hospitals and which is licensed as a hospital pursuant to such law, or is approved by the agency of such State or locality responsible for licensing hospitals as meeting the standards established for such licensing" and includes:

- District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa and the Northern Mariana Islands
- Medicare and non-Medicare enrolled institutions

Charges to Publish: "Make public both gross charges and payer-specific negotiated charges for all items and services online in a machine-readable format.

Publish Limited Set of "Shoppable Services": CMS is proposing to require hospitals make public standard charge data (i.e., payer-specific negotiated charges) for at least 300 shoppable services (including 70 CMS-selected shoppable services and 230 hospital-selected shoppable services) in a form and manner that is more consumer-friendly. A "shoppable service" is a service that can be scheduled by a healthcare consumer in advance. Shoppable services are

typically those that are routinely provided in non-urgent situations that do not require immediate action or attention to the patient, thus allowing patients to price shop and schedule a service at a time that is convenient for them. CMS has proposed examples of shoppable services may include certain imaging and laboratory services, medical and surgical procedures, and outpatient clinic visits. ASE will monitor the development of this "shoppable services."

The list of shoppable services may be found in Table 37 on page 627 of the rule. CMS is seeking comment on the 70 CMS-selected shoppable services they identify in Table 37. CMS is particularly interested in feedback on whether other services should be included because they are more common, more shoppable or both. CMS is also interested in feedback on whether it should require more or less than a total of 300 shoppable services. Specifically, it seeks comment from hospitals and consumers on whether a list of 100 shoppable services (or less) is a reasonable starting point. Note: currently echocardiography services are not the "shoppable services" list, but ASE will continue to monitor.

Additional requirements include the following.

1. Ancillary Items and Services: Include charges for services that the hospital customarily provides in conjunction with the primary service that is identified by a common billing code (e.g., Current Procedural Terminology (CPT)/ Healthcare Common Procedure Coding System (HCPCS)/Diagnosis-Related Group (DRG). Ancillary items and services may include laboratory, radiology, drugs, delivery room (including maternity labor room), operating room (including post-anesthesia and postoperative recovery rooms), therapy services (physical, speech, occupational), hospital fees, room and board charges, and charges for employed professional services.
2. Prominent Display: Make sure that the charge information is displayed prominently on a publicly available webpage, clearly identifies the hospital (or hospital location), is easily accessible and without barriers, and is searchable.
3. Updates: Update the information at least annually.
4. Other Shoppable Services: If a hospital does not provide one or more of the 70 CMS-selected shoppable services, the hospital must select additional shoppable services such that the total number of shoppable services is at least 300.

Monitoring and Enforcement: CMS would have the authority to monitor hospital compliance with Section 2718(e) of the Public Health Service Act by evaluating complaints made by individuals or entities to CMS, reviewing individuals' or entities' analysis of noncompliance, and auditing hospitals' websites.

Should CMS conclude a hospital is noncompliant with one or more of the requirements to make public standard charges, CMS may assess a monetary penalty after providing a warning notice to the hospital, or after requesting a corrective action plan from the hospital if its noncompliance constitutes a material violation of one or more requirements.

- If the hospital fails to respond to CMS' request to submit a corrective action plan or comply with the requirements of a corrective action plan, CMS may impose a civil monetary penalty on the hospital, of not more than $300 per day, and publicize these penalties on a CMS website.
- CMS is proposing to establish an appeals process for hospitals to request a hearing before an Administrative Law Judge (ALJ) of the civil monetary penalty. Under this process, the CMS Administrator, at his or her discretion, may review in whole or in part the ALJ's decision.

If you should have any questions or concerns with the information contained in this overview, please feel free to contact Irene Butler at ibutler@asecho.org.