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CMS Releases Proposed 2021 Medicare Reimbursement Rules: What is the potential impact to Echocardiography?

Late on August 3, 2020, the Centers for Medicare & Medicaid Services (CMS) released the calendar year (CY) 2021 Medicare Physician Fee Schedule (PFS) proposed rule, which includes several significant policy and payment changes impacting echocardiographers.

This communication offers a topline summary of the most important proposed changes to the payment rates and policies for services paid under Medicare. Please note that ASE will provide a detailed analysis once all data is available from the CMS website.

Key Issues:

- **MPFS Conversion Factor**: The proposed CY 2021 PFS conversion factor is \$32.26, which is a decrease of \$3.83 from the CY 2020 PFS conversion factor of \$36.09. This is due to a budget neutrality adjustment to account for changes in RVUs, as required by law.
- Revaluation of CPT code 93306: In an unprecedented move last year, CMS accepted Anthem's nomination of CPT code 93306 Transthoracic Echocardiography, Complete as potentially "misvalued". Anthem's nomination was based on data from the Urban Institute that purports that a TTE only takes 5 minutes for interpretation. Unfortunately, any AMA RUC review and valuation is challenging. Last year only 10% of codes reviewed saw an increase, while close to 60% of the codes were decreased or deleted. CMS is proposing to accept the AMA RUC recommendation of 1.46 wRVUs, versus the present value of 1.5 wRVUs. This was achieved under challenging circumstances and we were in large part able to protect the value of this critical service and protect much of the increase established a year ago.

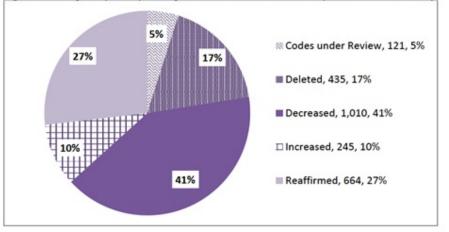


Figure 1: AMA/Specialty Society RVS Update Committee (RUC) Potentially Misvalued Services Project

• Payment for Office/Outpatient Evaluation and Management (E/M): Proposed for CY 2021, CMS will be largely aligning E/M visit coding and documentation policies with changes laid out by the CPT Editorial Panel for office/outpatient E/M visits, beginning January 1, 2021. They are proposing a refinement to clarify the times for which prolonged office/outpatient E/M visits can be reported and proposing to revise the times used for rate setting for this code set. ASE will provide further detail and education for membership on these changes and implications for practices.

- **Telehealth Services:** In March 2020, CMS established separate payment for audio-only telephone evaluation and management services. While CMS is not proposing to continue to recognize these codes after the current public health emergency, CMS is seeking feedback on the need for audio-only interactions and 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.
- **MIPS:** CMS proposes the following performance threshold and category weights for the 2021 performance period (which impacts your CY 2023 payment year):
- 1. 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.
- 2. The Quality performance category to be weighted at 40% (5% decrease from 2020).
- 3. The Cost performance category to be weighted at 20% (5% increase from 2020).
- 4. The Promoting Interoperability performance category to be weighted at 25% (no change from 2020).
- 5. 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.
- **MIPS Value Pathways:** MVPs were 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.

ASE is currently reviewing the details of the proposed rule and will be providing further detail in the upcoming days. CMS will accept comments until October 5, 2020. We expect the final rule to be issued around November 2020. We will keep you updated as we learn more.

<u>Click here</u> to read the CY 2021 Medicare PFS proposed rule fact-sheet

Click here to read the CY 2021 Medicare QPP proposed changes fact-sheet

<u>Click here</u> to read the CY 2021 Medicare PFS proposed rule.

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