Medicare PFS Final Rule Released: A Topline Summary from ACG, AGA and ASGE

On Nov. 1, 2018, the Centers for Medicare & Medicaid Services (CMS) released the calendar year (CY) 2019 Medicare Physician Fee Schedule (PFS) final rule, which includes several significant policy and payment changes that are expected to impact gastroenterologists beginning in CY 2021.

Below is a brief summary of key issues for GI. ACG, AGA and ASGE are reviewing the final rule and will provide a more detailed analysis. While any reimbursement changes to these GI codes will not be implemented before the CY 2021 payment year, the GI societies are already working through the necessary processes to defend the valuation of these codes, including through regulatory and legislative channels.

Misvalued Code Initiative: The GI societies are alarmed that Anthem nominated two GI codes as potentially "misvalued" and extremely disappointed that CMS in this Final Rule bowed to Anthem's petition to include 45385 (Colonoscopy with lesion removal by snare) and 43239 (EGD biopsy single/multiple) for review under the potentially misvalued code initiative.

In its appeal to CMS, Anthem stated that it is "apparent" that, in most cases, reductions to codes that resulted from recent reviews were "insufficient or limited" and that the new values continue to be "excessive and not empirically supported." Anthem provided no evidence to support their statements. Additionally, Anthem's motivation for weighing in on Medicare payment amounts is suspect as commercial payers frequently link their payment rates to a percentage of the Medicare fee schedule or use Medicare payment amounts as benchmarks for negotiating physician contracts.

Anthem further stated that many high-spending codes are in families with similar codes that are comparably overvalued, such as colonoscopy. As such, Anthem suggested that review and revision of the index code should also lead to revision of similar codes.

A Vigorous Defense from the GI Societies
In comments to CMS and during a meeting with agency officials in August, the GI societies fought against the assertion that the codes are overvalued and should face review. The work relative value units (RVUs) for Current Procedural Terminology® (CPT) codes 43239 and 45385 were reduced in 2014 and 2016, respectively. In the 2014 revaluation of CPT code 43239, CMS finalized work RVUs that were less than the RUC's recommended work RVUs. In the 2016 revaluation of CPT code 45385, CMS finalized the RUC-recommended work RVUs.

Reforming Evaluation and Management (E/M) Payment: In a significant positive shift reflecting advocacy efforts from the medical community, including ACG, AGA and ASGE, CMS' proposed

changes to evaluation and management (E/M) services were both altered and/or delayed until 2021 in the final rule.

CMS finalized changes to streamline E/M documentation for 2019, but the agency is not finalizing two proposals vigorously opposed by the GI societies: application of a multiple-procedure payment reduction to separate E/M services furnished on the same day as a global procedure; and standardization of the allocation of practice expense RVUs for the E/M services. Both of these proposals would have negatively affected GI payments.

After considering concerns raised by commenters in response to the proposed rule, CMS will continue the current coding and payment structure for E/M office and outpatient visits for CY 2019 and CY 2020. Practitioners should continue to use either the 1995 or 1997 E/M documentation guidelines to document E/M office/outpatient visits billed to Medicare.

Beginning in 2021, CMS will implement a new payment structure for E/M services that collapses Levels 2-4 into a single payment rate. This new payment structure will apply to both new and established patients. CMS had proposed to collapse Levels 2-5. The collapsing of the E/M codes and a single payment will have a redistributive effect on the specialties that bill E/M codes. The GI societies will perform an analysis of the potential impact on the average GI practice.

CMS intends to engage in further discussions with stakeholders over the next few years to potentially further refine its policies. The societies will continue to engage with both the AMA and CMS to ensure the voice of GI providers is heard and that gastroenterologists are adequately reimbursed for the E/M services they provide.