



CY 2023 Medicare Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems Proposed Rule

On July 15, 2022, the Centers for Medicare and Medicaid Services (CMS) released the calendar year (CY) 2023 Medicare Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems Proposed Rule.

Medicare Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems Payment Charts

- [CY 2023 Proposed Rule ASC Payment Rates](#)
- [CY 2023 Proposed Rule ASC Top 10 Base and Biopsy Codes](#)
- [2023 Proposed Rule HOPD \(Hospital Outpatient Department\) Payments](#)
- [2023 Proposed Rule HOPD Top 10 Base and Biopsy Codes](#)

OPPS Conversion Factor

The proposed CY 2023 Medicare conversion factor for outpatient hospital departments is \$86.785, an increase of 2.7%, for hospitals that meet applicable quality reporting requirements.

ASC Conversion Factor

The proposed CY 2023 Ambulatory Surgical Center (ASC) conversion factor is \$51.315, an increase of 2.7%, for ASCs that meet applicable quality reporting requirements. The GI societies continue to urge CMS to reduce this gap in the ASC facility fees when compared to the outpatient hospital facility rates, which are estimated to be a roughly 50% differential in CY 2023.

ASC Payment System Rate Setting

CMS proposes to use CY 2021 claims data with cost report data from the June 2020 Healthcare Cost Reporting Information System (HCRIS) to set CY 2023 OPPS and ASC payment rates, due to the COVID-19 Public Health Emergency (PHE). The most recent available cost report data include periods that overlap with CY 2020. CMS believes that the CY 2020 cost report data are not the best overall approximation of expected outpatient hospital services, because half of the cost reports that typically would be used for CY 2023 rate setting have cost reporting periods that overlap with parts of the CY 2020 and would include data from the start of the PHE.

Cuts to APC 5371 impact lower GI motility and G-tube codes

CMS is proposing hospital outpatient facility payment cuts of 18% for lower GI motility 91117 and 91122 and G-tube replacement and revision codes 43261-43263 caused by changes the agency is proposing within their Ambulatory Payment Classification (APC) family, APC 5371 (Level 1 Urology and Related Services).

CPT / HCPCS Code	Description	2022 APC	2023 Proposed APC	2022 APC Payment	2023 Proposed APC Payment	Proposed \$ Change	Proposed % Change
43761	Reposition gastrostomy tube	5371	5371	\$271.77	\$224.14	-\$47.63	-18%
43762	Rplc gtube no revj trc	5371	5371	\$271.77	\$224.14	-\$47.63	-18%
43763	Rplc gtube revj gstrst trc	5371	5371	\$271.77	\$224.14	-\$47.63	-18%
91117	Colon motility 6 hr study	5371	5371	\$271.77	\$224.14	-\$47.63	-18%
91122	Anal pressure record	5371	5371	\$271.77	\$224.14	-\$47.63	-18%

In 2021, CMS finalized a reorganization of the Urology and Related Services APCs and expanded the APCs from seven to eight levels, making changes to the codes within each APC to adhere to program rules requiring limits on the difference between the lowest and highest cost services in an APC family. Now that CMS has more claims data, they are proposing refinements to the CPT codes in each family resulting in an 18% decrease in payment for APC 5371. The GI societies are working with our motility and other experts to propose a solution that will protect the lower GI motility and G-tube codes from these drastic cuts.

ASC Quality Reporting (ASCQR) Program

CMS is requesting comments on transitioning from a general set of measures to a specialty centered approach for the ASCQR Program. In recognition of the specialty-specific care provided at ASC, CMS is seeking comments on a potential future direction of quality reporting under the ASCQR Program that would allow quality-related data for ASCs to be reported on a customizable measure set that is aligned with the care delivered in the specific ASC. This could take the form of measures related to different specialties which the ASC could select from or the creation of specific specialized tracks which would standardize quality measures within a specialty area. Included in the rule as an example, was a gastroenterology specialty measure set. CMS also seeks comment on the potential inclusion of a volume measure in the ASCQR Program. Finally, the agency notes that ASCs have lower adoption of electronic health record (EHR) technology than office-based physicians. CMS is seeking comments to explore how ASCs are implementing tools in their facilities toward the goal of interoperability.

Promoting Competition and Transparency Regarding the Effects of Provider Mergers, Acquisitions, Consolidations, and Changes in Ownership

This year CMS released data on hospital and skilled nursing facility mergers, acquisitions, consolidations, and changes in ownership going back to 2016, and will update the data quarterly going forward. CMS seeks comment on if there is additional data that can further promote transparency and competition, and if there are additional provider types where this information should be released to the public.

OPPS Payment for Software as a Service (SaaS)

CMS refers to algorithm-driven services that help make clinical assessments (e.g., clinical decision support software, clinical risk modeling, and computer aided detection) as “software as a service (SaaS).” CMS seeks comment on the specific payment approach for these services under the OPPS as SaaS technologies becomes more widespread.

CMS OPPS/ASC Proposed Rules and Fact Sheets

[CY 2023 OPPS/ASC Payment System Proposed Rule](#)

[CY 2023 OPPS/ASC Payment System Proposed Rule Fact Sheet](#)