CY 2022 Final Rule Highlights
Medicare Physician Fee Schedule (MPFS)

On November 2, 2021, the Centers for Medicare and Medicaid Services (CMS) issued the final rule for the Medicare Physician Fee Schedule (MPFS) for CY 2022.


**Highlights**

- CMS finalized a budget neutral adjustment to the conversion factor (CF) of -0.10 percent, originally proposed to be -0.14 percent. Applying this to a conversion factor of $33.6319, the 2021 CF minus the 3.75 percent increase outlined as part of the Consolidated Appropriation Act of 2021, which CMS cannot legally extend for 2022, changed the value of the 2021 CF to $34.8931. Using this adjusted CF, the final CY 2022 CF is $33.5983 and slightly higher than proposed.

- The lowering of the CF does result in decreases for many specialties and their estimated impacts; however, CMS has also applied additional decreases to many of the Practice Expense (PE) values which create a deeper cut to specialties such as interventional radiology, radiation oncology, vascular surgery, and cardiology. The negative impacts are specifically related to the PE values for equipment and clinical labor and reflect changes that take place within the pool of total Relative Value Units (RVUs). The changes for 2022 per CMS “result from finalized policies within BN [budget neutrality] (such as the revaluation of E/M codes in CY 2021 or the clinical labor pricing update in CY 2022) but does not include any changes in spending which result from finalized policies outside of BN”.
  - Estimated impacts for select specialties are as follows:
    - Interventional Radiology -5% (proposed to be -9%)
    - Radiology -1% (proposed to be -2%)
    - Interventional Pain Management 0% (proposed to be 1%)

- CMS provided several responses to the comments submitted related to the clinical labor pricing update. CMS had proposed to adjust clinical labor values for the first time in 20 years in a single budget neutral adjustment. After considerable push-back CMS has finalized the adoption of a 4-year phase-in which aligns with other policy adjustments made by CMS to RVUs. The clinical labor adjustment when split over four years still negatively impacts interventional radiology services, but to a lesser impact each year.
  - CMS isolated the estimated effect of the labor pricing update on specialties as follows:
    - Interventional Radiology – Y1 = -2%, fully updated total -6% (rounded total over 4 years)
    - Radiology – Y1 = 0%, fully updated total -1%
    - Interventional Pain Management – Y1 = 0%, fully updated total -1%

- CMS moved forward with several revisions to the clinical labor pricing values for a variety of clinical labor types. For example, CMS proposed to utilize the BLS category 29-9000 (Other Healthcare Practitioners and Technical Occupations) at $27.20 for Angio Technician. After submission of additional salary data CMS selected Lab/Histotechnologist clinical labor type instead of the recommended utilization of level IV certified Radiologic Technologist. According to CMS the median hourly rate of $26.63 better aligned with the data available from Salary Expert than the proposed value or recommendations from commenters. This is an increase to the values last established in 2002 but did not follow the recommendations by SIR.
• CMS included several codes and code sets for valuation for CY 2022. Some are new codes and others were recommended or triggered per the screening tool.
  o Trabecular bone score (77089, 77090, 7709, and 77092) – New for 2022
    ▪ Finalized RUC recommendations for work and PE
    ▪ Will associate the costs for analysis and licensing fees to indirect costs for codes 77089 and 77091 against recommendations by commenters
  o Needle Biopsy of Lymph Nodes (38505)
    ▪ Finalized proposed work RVU by CMS and RUC PE inputs without refinement
  o Arthrodesis Decompression (63052 and 63053) – New for 2022
    ▪ Finalized refinements to the work RVUs which was finalized between the RUC recommendations and CMS proposed values
  o Destruction by Neurolytic Agent (64633, 64634, 64635, and 64636)
    ▪ Finalized same work RVUs for codes 64633 and 64635 and RUC recommended PE inputs without refinement
  o Destruction of Intraosseous Basivertebral Nerve (64628 and 64629) – New for 2022
    ▪ Finalized as proposed work RVUs for both codes and accepted RUC recommended PE inputs without refinement for code 64628
  o Cholangiography and/or Pancreatography X-Rays at Surgery Add-On (74301)
    ▪ Finalized CMS proposed work RVUs. No PE inputs were proposed so none were finalized
• CMS finalized use of audio-only technology for mental health conditions. For all other services, two-way, audio/video communication technology is the general standard for telehealth services after the public health emergency ends. Due to this, audio-only codes 99441-99443 will be removed. Temporary Category 3 codes will remain on the telehealth list until end of CY 2023.
• CMS finalized to permanently adopt coding and payment for HCPCS code G2252 (5–10-minute brief medical discussion), originally proposed to be a temporary service.
• CMS addressed changes to evaluation and management (E/M) visits which began in 2021 and specially addressed:
  o Split (or Shared) Visits for new and established patients
    ▪ Only apply in facility setting, does not apply in office setting
    ▪ Finalized definition as proposed
    ▪ Created different billing for split (or shared) visits from transition year 2022 to fully integrated policy year beginning 2023
  o Payment for the Services of Teaching Physicians
    ▪ Teaching physician total time for E/M does not count time resident alone with patient and furnishing care
    ▪ Time counted is related to the activities outlined by CPT® and presence of physician, does not include teaching time outside management of the specific patient
• CMS has finalized to allow for Physician Assistants (PAs) to bill for services directly to Medicare and the reimbursement for those services to be paid directly to the PA, similar to Nurse Practitioners (NPs) and Clinical Nurse Specialists (CNSs) currently.
• CMS is finalized to delay the penalty payment phase of the Appropriate Use Criteria (AUC) program until January 1, 2023, or the January 1 that follows the declared end of the PHE for COVID-19. This will allow for CMS to develop the appropriate claims processing system edits and are seeking comments on how best to establish this.
• CMS is finalized to remove National Coverage Determination (NCD) 220.6, Positron Emission Tomography (PET) Scans to allow the Medicare Administrative Contractor (MAC) the decisions of coverage per their beneficiaries.