Brief SIR summary of CMS 2019 Final Rule

On November 1, 2018, the Centers for Medicare & Medicaid Services (CMS) issued a CY 2019 PFS Final Rule for effective date on or after January 1, 2019. A detail review of the rule is available on the CMS website.

Effective January 1, 2019, the final rule on key payment provisions are:

- **Streamlining Evaluation and Management (E/M)** Payment and Reducing Clinician Burden especially pertaining to CY 2019 and 2020 E/M documentation burden reduction with aim for reimbursement changes to be implemented in CY 2021.
- **Finalizing Modernizing Medicare Physician Payment by Recognizing Communication Technology-Based Services** and defining them as two separate payment as (1) Brief communication technology-based service, e.g. virtual check-in (HCPCS code G2012) and (2) Remote evaluation of recorded video and/or images submitted by an established patient (HCPCS code G2010).
- **Identifying non-opioid alternatives for pain treatment and management** – In CY 2019 CMS is soliciting comments on Creating a Bundled Episode of Care for Management and Counseling Treatment for Substance Use Disorders, especially Opioids. In addition, they will be expanding the use of telehealth services for the treatment of opioid use disorder and other substance use disorders effective July 1, 2019.
- **Providing Practice Flexibility for Radiologist Assistants – physician supervision** – revision of physician supervision requirements so that diagnostic tests performed by a Radiologist Assistant (RA).
- **Conversion Factor** - budget neutrality adjustment changes in RVUs, all required by law, the final 2019 PFS conversion factor is $36.04, a slight increase above the 2018 PFS conversion factor of $35.99.
- **Practice Expense (PE): Market-Based Supply and Equipment Pricing Update** - finalizing the proposal to adopt updated direct PE input prices for supplies and equipment and phase-in use of these new prices over a 4-year period beginning in CY 2019 to ensure a smooth transition.
- **Payment Rates for Non-excepted Off-campus Provider-Based Hospital Departments Paid Under the PFS** - The PFS Relativity Adjuster in CY 2018 is 40 percent remains the same for CY 2019.
- **Medicare Telehealth Services** - For CY 2019, CMS is finalizing our policies to add mobile stroke units.
- **Clinical Laboratory Fee Schedule** - additional laboratories of all types that serve a significant population of beneficiaries enrolled in Medicare Part C now include hospital laboratories that bill for their non-patient laboratory services on the CMS 1450 14X TOB bill.
• **Recognizing Communication Technology-Based and Remote Evaluation Services for Rural Health Clinics and Federally Qualified Health Centers** - For CY 2019, CMS finalized payment for Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) for communication technology-based services and remote evaluation services will be payable.

• **Wholesale Acquisition Cost-Based (WAC-based) Payment for Part B Drugs: Finalizing a Reduction of the Add-on Amount** - WAC-based payments for Part B drugs determined under section 1847A of the Social Security Act, have increased on reimbursement for add-ons and new drugs.

• **Appropriate Use Criteria (AUC) for Advanced Diagnostic Imaging** - CMS is working on finalizing accommodations in the revision of the significant hardship criteria in the AUC program to include: 1) insufficient internet access; 2) electronic health record (EHR) or clinical decision support mechanism (CDSM) vendor issues; or 3) extreme and uncontrollable circumstances. In addition, CMS is adding independent diagnostic testing facilities (IDTFs) to the definition of applicable setting under this program. (CMS, 2018).


**Merit-based Incentive Payment Systems (MIPS) Updates for Year 3 (CY 2019)** with the following updates:

• Physician payment adjustments will be +/- 7 percent for payment year 2021.

• To report through the Merit-based Incentive Payment System (MIPS) in 2019, clinicians or groups need to exceed one of the following low-volume thresholds:
  - Have Part B charges for professional services that exceed $90,000
  - Provide care to more than 200 beneficiaries
  - Provide more than 200 covered professional services under the physician fee schedule

• The cost category will increase to 15 percent of the overall performance score and the quality category will decrease to 45 percent. The promoting interoperability and improvement activities categories will remain at 25 percent and 15 percent, respectively.

**MIPS Deadlines**

Submissions of data for Year 2 (CY 2018) opens: January 2nd, 2019, and January 22nd for web-based.

Submission window closes: March 2nd, 2019, March 22nd for web-based.