

## ED Coding and Reimbursement Alert

### 2017 Medicare Proposed Rule: Get A First Look at Next Year's Proposed Payments for ED Services

#### Expect new codes for moderate sedation and complex care coordination payments

The proposed 2017 Medicare Physician Fees Schedule (PFS) is out and it brings some big changes for ED coders. CMS released the 2017 Medicare Physician Fees Schedule (PFS) late on July 7th with a publication date to follow. Watch for an in-depth analysis in the September issue, as we are at press time for the August issue, but here are some initial items of interest to the ED Coding and Reimbursement community.

#### Estimated Impact of ED Medicare Payments Is Flat for 2017

According to CMS estimates of the fiscal impact on total allowed charges, overall emergency medicine payments should remain about the same in 2017. That is consistent with the estimate for all Medicare physician charges; however, there are some winning and losing specialties.

**For example:** Family practice is estimated to get a 3 percent increase and interventional radiology can expect a 7 percent overall decrease. Most other specialties are in the plus or minus 1 percent range, but remember rounding at this level can make a big difference in the estimates between being minus 1 percent, even or plus 1 percent, says Michael A. Granovsky, MD, CPC, FACEP, President of LogixHealth, an ED coding and billing company in Bedford, Mass.

#### Refinement of Chronic Care Coordination Codes and Global Periods Are Still In Play

CMS proposes a number of coding and payment changes in the PFS including moderate sedation codes and chronic care management. You may recall from prior Medicare payment updates in ED Coding and Reimbursement Alert that the Chronic Care Coordination Codes have been through several refinements over the years and still have zero RVU assigned to them in 2016.

Expect separate payments for codes describing chronic care management for patients with greater complexity if the proposed changes become final. You'll also see several changes to reduce the administrative burden associated with the chronic care management codes in order to remove potential barriers to furnishing and billing for these important services.

For CY 2017, CMS proposes changing the procedure status for CPT® codes 99487 (Complex chronic care management services, with the following required elements: multiple [two or more] chronic conditions expected to last at least 12 months, or until the death of the patient... 60 minutes of clinical staff time directed by a physician or other qualified health care professional, per calendar month) and 99489 ( ... each additional 30 minutes of clinical staff time directed by a physician or other qualified health care professional, per calendar month).

Under the proposed rule, these codes will change from B (bundled) to A (active), and adopt the RUC-recommended work values of 1.00 RVUs for code 99487 and 0.50 RVUs for code 99489, says Granovsky

#### Collecting Data on Resources Used in Furnishing Global Services

Back in the 2015 PFS final rule, CMS finalized a policy to transform all 10- and 90-day global codes to 0-day global codes, beginning in CY 2018. Under this policy, CMS would have valued the surgery or procedure to include all services furnished on the day of surgery and then would have subsequently paid separately for visits and services furnished after the day of the procedure.

But when Section 523 of the Medicare Access and CHIP Reauthorization Act of 2015 was passed and enacted the act prohibited CMS from implementing this policy, instead requiring the agency to gather data on visits in the post-surgical period that could be used to accurately value these services.

In the 2017 proposed rule, CMS suggests a data collection strategy, including claims-based data collection and a survey of 5,000 practitioners, to gather data on the activities and resources involved in furnishing these services. That data will then be considered in future Medicare notices and comment rulemaking.

The impact on ED reporting for procedures with 90 day global period could become simplified under a 0 day global construct. You would no longer need to use the 54 modifier (Surgical care only) to indicate that no follow up care is expected to be provided. However, keep in mind that there would likely be a reduction in the payment as well, similar to what was seen with the simple laceration codes, Granovsky warns.

### **New Moderate Sedation Codes Have Shorter Intraservice Times**

Intraservice time is being reduced from 30 minutes to 15 minutes for the newly created moderate sedation codes. Intraservice time is the continuous face to face time beginning when the patient is given the sedation agent until it is safe for the physician to step away and leave the patient in the care of the independent trained observer

This change should allow an increased use of moderate sedation in the ED setting where the procedures requiring sedation tend to be of shorter duration than other sites of service. CMS is proposing to use the RUC recommended work RVUs for the new CPT® codes 991X1, 991X2, 991X3, and 991X6.

Codes 991X1 and 991X2 make a distinction between moderate sedation services furnished to patients younger than 5 years of age and patients 5 years or older, with codes 991X3 and 991X4 making a similar distinction. The RUC recommendations include a work RVU increment of 0.25 between code 991X1 and 991X2. For code 991X4, CMS is proposing a work RVU of 1.65 to maintain the 0.25 increment relative to CPT® code 991X3 (a RUC-recommended work RVU of 1.90) and maintain relativity among the CPT® codes in this family, explains Granovksy.

**Remember:** This information is from the proposed rule and 2017 payments will be determined by the final rule expected about November 1, 2016 and the final calculated Medicare conversion factor. However the outlook is promising, says Granovsky.

The 2017 Medicare PFS Proposed Rule can be found at the following link:

<https://www.federalregister.gov/articles/2016/07/15/2016-16097/medicare-program-revisions-to-payment-policies-under-the-physician-fee-schedule-and-other-revisions>.