

Part B Insider (Multispecialty) Coding Alert

Legislation: COVID-19 Relief Offers Medicare Providers Much-Need Assistance

Hint: CY 2021 MPFS payments are impacted.

After months of stalling, Congress finally passed a COVID relief bill late last month. Several of the law's provisions concern Medicare, offering Part B providers much-needed assistance. Read on for the breakdown.

Now: Following significant negotiations, Congress finally passed H.R. 133, the Consolidated Appropriations Act, 2021. The bill was signed into law on Dec. 27, 2020 and contains a \$900 billion COVID-19 relief package with several clauses and extensions related to Medicare.

The legislation includes a calendar year (CY) 2021 Medicare Physician Fee Schedule (MPFS) payment change, which aims to circumvent healthcare's fiscal fallout from COVID-19.



Backtrack: Originally, in its CY 2021 MPFS final rule, the Centers for Medicare & Medicaid Services (CMS) cut the conversion factor (CF) by 10.2 percent, dropping the CF from the 2020 rate of \$36.0896 to \$32.4085 for CY 2021. The "historic" decrease was to align with budget neutrality requirements and accommodate increases to office/outpatient E/M visit codes' (99202-99215) reimbursement.

Details: "The legislation creates a one-time, one-year, 3.75 percent increase in Medicare Physician Fee Schedule payments to support physicians and other clinicians. This increase adjusts the upcoming effects of the CY 2021 physician fee schedule budget neutrality rules," explain attorneys with Foley & Lardner LLP in online legal analysis.

"CMS has recalculated the MPFS payment rates and conversion factor to reflect these changes. The revised MPFS conversion factor for CY 2021 is 34.8931," notes a Jan. 7 MLN Connects Special Edition. In addition, the feds have "reinstated the 1.0 floor on the work Geographic Practice Cost Index through CY 2023," the release adds.

Review the MLN Connects

at www.cms.gov/outreach-and-education/outreachffsprovpartprogprovider-partnership-email-archive/2021-01-07-mlnc-se

According to the Act, about \$3 billion will be allocated for the MPFS payment increase and will come from the Treasury's Federal Supplementary Medical Insurance Trust Fund. If any additional funding is needed in 2021 beyond the original amount outlined in the Appropriations Act, the Department of Health and Human Services (HHS) may pull from the Trust Fund for physician payments, the law suggests.



Know These 5 Top Provider Relief Provisions

H.R. 133 - a massive legislative behemoth at 5,593 pages - covers an amalgam of topics and offers support for individuals and businesses hit hard by the coronavirus. Here's a quick look at five things Medicare providers should know:

1. HCPCS G2211 moratorium: Section 113 prohibits the feds from making any MPFS payments for HCPCS code G2211 (Visit complexity inherent to evaluation and management associated with medical care services that serve as the

continuing focal point for all needed health care services and/or with medical care services that are part of ongoing care related to a patient's single, serious condition or a complex condition. (Add-on code, list separately in addition to office/outpatient evaluation and management visit, new or established)) prior to Jan. 1, 2024, the law indicates.

2. Sequestration payment-adjustment change: Originally, the CARES Act temporarily suspended the 2-percent sequestration payment adjustment for Medicare fee-for-service (FFS) claims in May with the suspension slated to end Dec. 31, 2020. The Appropriations Act of 2021 pushed that re-start date to March 31, 2021, giving providers a pay increase for an additional three months.

CMS confirmed the extended suspension of the adjustment in a Dec. 28, 2020 message. Read the MLN Connects Special Edition at www.cms.gov/outreach-and-education/outreach/ffsprovpartprogprovider-partnership-email-archive/2020-12-28-mlnc-se. The agency included the suspension update in its Jan. 7 MLN Connects release as well.

3. APM threshold changes on hold: "Section 114 freezes the current payment and patient count thresholds for physicians and other eligible clinicians participating in Advanced Alternative Payment Models (APMs) to receive a five percent incentive payment in payment years 2023 and 2024 (performance years 2021 and 2022)," according to a House Ways and Means fact sheet on the bill. Partial Qualifying APM participant payment and patient count thresholds will also remain status quo for the 2021/2022 performance years and 2023/2024 payment years.

4. PRF boost: The legislation "appropriates an additional \$3 billion to the Provider Relief Fund (PRF) and makes major revisions to the existing Department of Health and Human Services (HHS) PRF Guidance," note attorneys with Hall Render in online legal analysis. Other PRF updates include the following:

- The 85 percent of unobligated PRF monies will be "allocated equitably via applications that consider financial losses and changes in operating expenses," a House Ways and Mean fact sheet notes.
- Payments made before Sept. 19, 2020 will use instructions from HHS' June 19, 2020 Frequently Asked Questions (FAQs) release. This clarifies past lost revenue attestation guidance.
- "The Act will allow parent organizations to allocate Targeted Distributions to subsidiaries, flexibility that was previously limited to General Distribution payments," the Hall Render lawyers note.

5. Rural health: With rural communities hit hard by the pandemic, the feds offer much needed relief, including a new "Rural Emergency Hospital" designation, regulatory rollbacks related to rural workforce restrictions, telehealth expansion funding, and more.

One industry organization is thankful for this end-of-year surprise but urges the government to do more in the months ahead with COVID-19 continuing to wreak havoc on the nation.

"While we thank Congress for the additional support and relief this bill provides to hospitals and health systems, we continue to believe that more must be done to aid our response to the pandemic," said **Rick Pollack**, President and CEO of the American Hospital Association (AHA). "The AHA continues to advocate for additional support for front-line health care workers, coverage for the uninsured, accelerated payment forgiveness, federal liability protections, and resetting the IMPACT Act, among other measures."

Stay tuned: Providers may get a second shot at these and other wish list items in another COVID relief package relatively soon, experts predict.

Resource: Review the law at <https://rules.house.gov/sites/democrats.rules.house.gov/files/BILLS-116HR133SA-RCP-116-68.pdf>.