

Part B Insider (Multispecialty) Coding Alert

Reimbursement: Feds Follow Through on CF Cuts in 2022 MPFS

Health equity-related policies are one bright spot.

A Medicare payment boost may not be in the cards in 2022 for many Part B practices, and industry insiders aren't too happy about it.

Background: On Nov. 19, the Centers for Medicare & Medicaid Services (CMS) published the calendar year (CY) 2022 Medicare Physician Fee Schedule (MPFS) final rule in the Federal Register. The policy bonanza "reflect[s] a broader [Biden] Administration-wide strategy to create a health care system that results in better accessibility, quality, affordability, empowerment, and innovation," a CMS fact sheet says.



Though there are plenty of changes not related to COVID-19, the pandemic remains CMS' top priority. COVID vaccinations, testing, and therapies are prominent in the rule and show that the feds are still focused on the public health emergency (PHE).

Additionally, CMS continues to revamp policies that have hampered providers' ability to care for beneficiaries in the past. This latest go-round highlights both the agency's focus on health equity with several policies dedicated to bolstering underserved populations - as well as promoting technology with burden-reducing updates to telehealth services, split-shared E/M visits, and physician assistant (PA) billing (see story, p. 1).

"Promoting health equity, ensuring more people have access to comprehensive care, and providing innovative solutions to address our health system challenges are at the core of what we do at CMS," says **Chiquita Brooks-LaSure**, CMS Administrator, in a release on the rule. "The Physician Fee Schedule final rule advances all these strategic priorities and helps build a better Medicare program for the future."



Expect Fewer Dollars in Your Wallet in 2022

Conversion factor (CF) changes are an annual part of the MPFS. But, due to the rough year many Medicare providers had, some hoped for a reprieve from the cuts mentioned in the proposed rule. That didn't happen.

Reminder: The CF is a numerical multiplier used to calculate payment rates for the fee schedule. Each year, CMS adjusts the CF using a formula that considers factors such as a medical economic index, budget neutrality, and legislative changes to healthcare coverage.

Now: CMS followed through on its CF promises and decreased the amount by \$1.30. The expiration of the 3.75-percent boost from the Consolidated Appropriations Act, 2021 (CAA) coupled with budget neutrality requirements to relative value units (RVUs) caused CMS to finalize that proposal. Starting Jan. 1, the CF will be at \$33.59, down from the 2021 MPFS amount of \$34.89.

"The [M]PFS conversion factor reflects the statutory update of zero percent and the adjustment necessary to account for changes in relative value units and expenditures that would result from our finalized policies," CMS says.

With the pandemic stretching ever onwards, physician groups are already calling for congressional intervention on this policy with cash-strapped providers still in the COVID trenches. "The AMA is strongly advocating for Congress to avert this and other looming cuts to Medicare physician payments that, overall, will produce a combined 9.75 percent cut for

2022," urges AMA President **Gerald E. Harmon, MD**, in a release. "This comes at a time when physician practices are still recovering the personal and financial impacts of the COVID public health emergency."

Harmon adds, "Congress is beginning to recognize that this financial instability could limit health care access for Medicare patients. The clock is ticking."

Resource: Review the final rule at www.federalregister.gov/public-inspection/2021-23972/medicare-program-cy-2022-payment-policies-under-the-physician-fee-schedule-and-other-changes-to-part.