

Outpatient Facility Coding Alert

CMS Final Rule: Break Down Key Components of the CMS OPPS, ASC Final Rule

See which of these changes may have an impact on your facility's bottom line.

On November 2, 2018, the Centers for Medicare & Medicaid Services (CMS) released the Outpatient Prospective Payment System (OPPS) and Ambulatory Surgery Center (ASC) final rule. In this 2018 final rule, CMS lays out a variety of changes that are sure to have an effect on your facility.

According to CMS, these policies, which were implemented January 1, 2019, "will further advance the agency's priority of creating a patient-centered healthcare system by achieving greater price transparency, and significant burden reduction so that hospitals and ambulatory surgical centers can operate with better flexibility and patients have access to the tools they need to become active healthcare consumers."

Keep reading for a breakdown of some of the most important elements of this final rule and how they might impact your facility.

Outline Changes to OPPS, ASC Payment Rates

As you'll see, much of this final rule incorporates new changes to the payment rates administered under the OPPS and ASC payment systems. First, you'll find that CMS is updating OPPS payment rates by 1.35 percent. According to CMS, "this update is based on the hospital market basket increase of 2.9 percent minus both a 0.8 percentage point adjustment for multifactor productivity (MFP) and a 0.75 percentage point adjustment required by law."

Additionally, using the hospital market basket, CMS updated the ASC payment rates for 2019 by 2.1 percent. CMS explains that this percent change is "based on the hospital market basket increase of 2.9 percent minus a 0.8 percentage point adjustment for MFP." Furthermore, CMS argues that this payment adjustment will "help to promote 'site-neutrality' between hospitals and ASCs and encourage the migration of services from the hospital setting to the lower cost ASC setting."

Note Adjustment to Clinic Visit Payment Rates

In addition to these crucial increases in payment rates, CMS has made a point to adjust the payment rates for clinic visits billed under the OPPS. Currently, as Medicare puts it, "Medicare and beneficiaries often pay more for the same type of clinic visit in the hospital outpatient setting than in the physician office setting."

Medicare plans to address this issue by implementing a "Physician Fee Schedule (PFS)-equivalent" payment rate for any clinic visit performed at an off-campus provider-based department (PBD).

This payment adjustment will result in lower copayments for beneficiaries, and an overall savings for the Medicare program of an estimated \$380 million for 2019. Currently, Medicare pays an average of \$116 for clinic visits performed at an off-campus PBD. Patients, on the other hand, pay an average copay of \$23. This payment adjustment should result in a reduction to approximately \$81 for the clinic visit and \$16 for the copay visit - a savings of \$35 and \$7, respectively.

Include New CPT® Codes in ASC Covered Procedures List

Finally, you'll want to be aware of some important updates to the ASC Covered Procedures List (CPL).

Refresher: You'll find the ASC CPL in Addendum AA. According to CMS, Addendum AA is "a list of covered surgical

procedures under the revised ASC payment system, including Category I and Category III CPT® and Level II HCPCS codes.”

Additionally, "device-intensive procedures have been redefined for 2019 as those with a 'device offset percentage greater than 30 percent based on the standard OPPS APC rate-setting methodology,' which is a decrease from the previous 40 percent threshold," states **Sarah L. Goodman, MBA, CHCAF, COC, CCP, FCS**, of SLG, Inc. Consulting in Raleigh, North Carolina.

Moreover, as a result of an agency review, "CMS is finalizing its proposal to add 12 cardiovascular codes to the ASC CPL and adding five additional codes as a result of stakeholder comments the agency received." These services, not covered in years prior under the OPPS, will now be considered separately payable.

You can find these CPT® codes and each of the other changes by downloading the final rule with comment period (CMS-1695-FC) here: <https://s3.amazonaws.com/public-inspection.federalregister.gov/2018-24243.pdf>.