



Final Policy, Payment, and Quality Provisions Changes to the Medicare Physician Fee Schedule for Calendar Year 2020

In early November 2019, the Centers for Medicare & Medicaid Services (CMS) finalized a set of rules to update quality provisions, payment policies and payment rates for services provided under the Medicare Physician Fee Schedule (PFS) on or after January 1, 2020.

Similar to previous years, the final 2020 PFS rule is one of many that reflect an extensive, Administration-wide approach to design and establish a health care system that produces expanded accessibility, heightened quality, affordability, empowerment and innovation.

The following details LUGPA's position on the most relevant urology-related updates to these policy, payment and quality provisions to the 2020 Medicare PFS.

Payment and Coding for Evaluation and Management (E/M) Services

For 2020, CMS is aligning its E/M coding with changes set forth by the CPT Editorial Panel for office/outpatient E/M visits. The CPT coding changes maintain five levels of coding for established patients, decrease to four levels for office/outpatient E/M visits for new patients and revise code definitions. The CPT revisions also change the times and medical decision-making process for all codes, only requires performance of history and exam as medically appropriate and allows physicians to choose the E/M visit level based on medical decision-making or on time.

Additionally, CMS is adopting the American Medical Association (AMA)-sponsored Relative Value Update Committee's (RUC) recommended values for the office/outpatient E/M visit codes for CY 2021 and the new add-on CPT code for prolonged service time. These recommendations are expected to increase payment for office/outpatient E/M visits, as well as develop greater flexibility and improve accuracy for codifying services.

LUGPA agrees with CMS' decision to align E/M coding with the CPT Editorial Panel's changes to office/outpatient E/M visits and the adoption of the RUC recommendations. However, LUGPA is concerned that the major increase in E/M visits may not have enough budgetary offset.

Specialty Impact

CMS reported that the final PFS changes will result in a 1% increase in allowable charges for urology, no increase in work relative value updates (RVUs) and a 1% increase in practice expense RVUs. LUGPA supports this result.

Quality Payment Program (QPP)

To implement the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), CMS established the Quality Payment Program (QPP), which consists of two participation pathways for doctors and other clinicians – the Merit-based Incentive Payment System (MIPS), which measures performance in four categories to determine an adjustment to Medicare payment, and Advanced Alternative Payment Models (Advanced APMs), in which clinicians may earn an incentive payment through sufficient participation and are excluded from MIPS reporting requirements.

CMS' final increases to the MIPS thresholds and category weights include:

- Increased the performance threshold (i.e. the minimum number of points required to avoid a negative payment adjustment) to 45 points in 2020 and 60 points in 2021
- Increased the additional performance threshold for exceptional performance to 85 points

LUGPA is concerned the increase in these thresholds will dissuade providers from reporting on new quality measures.

Under the requirements of the Bipartisan Budget Act of 2018, CMS is continuing the gradual implementation of certain MIPS requirements to ease administrative burden on clinicians. LUGPA believes that the changes to the QPP appropriately reflect feedback and input from clinician partners.

Stark Advisory Opinion Process

In 2018, CMS issued a Request for Information (RFI) to collect public opinion on addressing unnecessary burden created by Stark Law, partially focusing on how it may obstruct care coordination. LUGPA, along with many health systems and other provider groups, urged CMS to update its advisory opinion process regulations to reduce provider burden and uncertainty around compliance with the outdated law. In the finalized 2020 PFS rule, CMS implemented a series of sweeping changes, including:

- Instituting a 60 business-day timeframe for issuing an advisory opinion
- Providing that an advisory opinion is binding of the Secretary of the Department of Health and Human Services (HHS) and rules out the enforcement of penalties under the Stark Law on the parties requesting the opinion or other parties relevant to the arrangement
- Defining its entitlement to revoke an advisory opinion and clarifying that parties may depend on an advisory opinion as non-binding guidance that demonstrates the application of physician self-referral law and regulations to the specific details and events delineated in the advisory opinion

LUGPA supports CMS' actions to streamline its Stark Law advisory opinion process, as it is a significant avenue through which physicians can understand how to best comply with the law. LUGPA continues to provide commentary to CMS and Congress to assist in the modernization of one of the largest sources of regulatory burden on physicians and Medicare beneficiaries to date.

For full details of LUGPA's positioning on the above items, visit lugpa.org.



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LUGPA is a trade association that represents independent urology group practices in the U.S., with more than 2,400 physicians who make up more than 25 percent of the nation's practicing urologists, and provide more than 30 percent of the total urologic care in the U.S. The association is committed to providing the best resources and information for its member practices through advocacy, research, data collection and benchmarking efforts. LUGPA advocates for independent urology practices by promoting quality clinical outcomes, fostering new opportunities and improving advocacy in the legislative and regulatory arenas. For more information, visit lugpa.org.