



COLLEGE of AMERICAN
PATHOLOGISTS

How the Final 2018 Medicare Fee Schedule Affects Your Pay

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November 9, 2017

Welcome

Donald Karcher, MD, FCAP

- **Chair, CAP Council on
Government and Professional
Affairs**



Welcome

**W. Stephen Black-Schaffer, MD,
FCAP**

- **Chair, CAP Economic Affairs
Committee**



Welcome

Jonathan L. Myles, MD, FCAP

- **Member, CAP Board of Governors**
- **Former Pathology Advisor to the AMA-RUC**



Final 2018 Medicare Physician Fee Schedule

- **Final 2018 Medicare Physician Fee Schedule was released on November 2**
 - CAP members received a *STATLINE* Alert with initial analysis of this final ruling
- **CAP will continue to engage with the Centers for Medicare & Medicaid Services (CMS)**

Agenda

- **CAP Policy and Advocacy**
- **Final 2018 Fee Schedule and Reimbursement Policy Overview**
- **Specific Pathology Reimbursement Changes**
- **Laboratory Date of Service Policy: 14-Day Rule**
- **Changes to Physician Quality Reporting System (PQRS) and Value-Based Modifier**
- **Questions**

CAP Policy and Advocacy



CAP's Policy and Advocacy Agenda

**Protect the
value of
pathology
services**

**Ensure
pathologists
can adapt to
new
payment
models**

**Sustain a
favorable
laboratory
regulatory
environment**

**47% of pathology CPT codes
have been targeted by CMS
since 2006**

CAP Advocacy on Medicare Payment

- **CAP continues to work with the CMS on Medicare reimbursement:**
 - **Advocating directly to the CMS throughout the year through face-to-face meetings**
 - **Via the CAP's seat at the AMA/Specialty Society Relative Value Update Committee (RUC)**
 - **Submitting formal comments on fee schedules and other Medicare regulations**

Final 2018 Fee Schedule and Reimbursement Policy Overview

Final Payment for Pathology Services CY 2018

Specialty	Allowed Charges (millions)	Work RVU Impact Change	Combined Work + PE Impact
Pathology	\$1,154	~0%	-1%
Independent Laboratory	\$690	~0%	-1%

- Reflects averages by specialty (based on Medicare utilization)
- The impact depends on mix of services and payers (Medicare and non-Medicare)
- Physicians receive pay from other Medicare payment systems

CMS Accepts CAP's Recommendations Therapeutic Apheresis Services

- CMS accepted the CAP's recommended increases to the physician work relative values (RVUs) for **six therapeutic apheresis codes**
- Identified the **apheresis codes** as potentially **misvalued in the CY 2016 PFS proposed rule**
- The CAP worked with the specialists to develop recommendations that were presented to the AMA RUC:
 - American Society for Apheresis
 - Renal Physicians Association
 - American Society of Hematology

CMS Accepts CAP's Recommendations

Therapeutic Apheresis Services

CPT Code	Description	Work RVU 2017	Work RVU 2018	% Change 2017-2018
36511	Therapeutic apheresis; for white blood cells	1.74	2.00	15%
36512	Therapeutic apheresis; for red blood cells	1.74	2.00	15%
36513	Therapeutic apheresis; for platelets	1.74	2.00	15%
36514	Therapeutic apheresis; for plasmapheresis	1.74	1.81	4%
36516	Therapeutic apheresis; with extracorporeal selective adsorption or selective filtration and plasma reinfusion	1.22	1.56	28%
36522	Photopheresis, extracorporeal	1.67	1.75	5%

Pathology Consultation During Surgery Codes

- The CMS identified pathology consultation during surgery CPT codes 88333 and 88334 in the 2014 proposed fee schedule as potentially **misvalued**
- The CAP performed a physician work survey and **defended** the codes before the AMA RUC and recommend maintaining the current physician work RVUs

CPT Code	Description	2017 Work RVU	2018 Work RVU	% Change 2017-2018
88333	Pathology consultation during surgery; cytologic examination (eg, touch prep, squash prep), initial site	1.20	1.20	0%
88334	Pathology consultation during surgery; cytologic examination (eg, touch prep, squash prep), each additional site (List separately in addition to code for primary procedure)	0.73	0.73	0%

Payment for Tumor Immunohistochemistry 2017 – 2018

CPT Code	MOD	Description	2017 Work RVU	2018 Work RVU	% Change	2017 Payment	2018 Payment	% Change
88360	26	Tumor immunohistochem/manual	1.10	0.85	-23%	\$57.42	\$46.80	-18%
88360	TC	Tumor immunohistochem/manual	0.00	0.00	0%	\$84.70	\$89.64	6%
88360		Tumor immunohistochem/manual	1.10	0.85	-23%	\$142.12	\$136.44	-4%
88361	26	Tumor immunohistochem/comput	1.18	0.95	-19%	\$61.01	\$49.68	-19%
88361	TC	Tumor immunohistochem/comput	0.00	0.00	0%	\$95.82	\$98.64	3%
88361		Tumor immunohistochem/comput	1.18	0.95	-19%	\$156.83	\$148.32	-5%
88342	26	Immunohisto antb 1 st stain	0.70	0.70	0%	\$37.32	\$37.44	0%
88342	TC	Immunohisto antb 1 st stain	0.00	0.00	0%	\$71.06	\$74.16	4%
88342		Immunohisto antb 1 st stain	0.70	0.70	0%	\$108.38	\$111.60	3%

Diagnostic Bone Marrow Aspiration and Biopsy Services

- In the proposed ruling for 2016, CMS identified **diagnostic bone marrow biopsy CPT code 38221** as a potentially **misvalued** service.
- Prior to survey, the CPT structure was changed to improve nomenclature for these codes (i.e. diagnostic vs. therapeutic use).
- The descriptors for CPT codes 38220 and 38221 were revised and new code 38222 was created to reflect changes in practice patterns that are now available.

Diagnostic Bone Marrow Aspiration and Biopsy Services

CPT Code	Description	2017 Work RVU	2018 Work RVU	% Change 2017-2018
38220	Diagnostic bone marrow; aspiration(s)	1.08	1.20	11%
38221	Diagnostic bone marrow; biopsy(ies)	1.37	1.28	-7%
38222 ^N	Diagnostic bone marrow; biopsy(ies) and aspiration(s)	NA	1.44	NA
G0364	Bone marrow aspiration performed with bone marrow biopsy through the same incision on the same date of service due	0.16	Deleted HCPCS Code	

^N – New codes for CY 2018

Payment for Flow Cytometry

CPT Code	Description	Medicare Payment					Percent Change	
		2015	2016	2017	2018 Proposed	2018 Final	2017-2018P	2017-2018F
88184	Flowcytometry/ tc 1 marker	\$94.51	\$76.26	\$61.73	\$61.18	\$68.04	-1%	10%
88185	Flowcytometry/tc add-on	\$57.49	\$46.55	\$37.68	\$30.59	\$30.60	-19%	-19%*
88187	Flowcytometry/read 2-8	\$72.59	\$73.04	\$59.22	\$48.23	\$48.24	-19%	-19%*
88188	Flowcytometry/read 9-15	\$92.35	\$93.09	\$75.37	\$66.22	\$66.60	-12%	-12%
88189	Flowcytometry/read 16 & >	\$113.91	\$114.22	\$92.59	\$88.54	\$88.92	- 4%	- 4%

- ❖ Note that codes 88185 and 88187 are projected to be reduced in subsequent years, due to a 19% reduction cap.
- The CAP continues to advocate for appropriate reimbursement for these services.

Final 2018 Hospital Outpatient Prospective Payment System Rule

Laboratory Date of Service (DOS) Policy 14 Day Rule

CMS Altered its 14-Day Rule Policy

- **The CAP argued for this change in comments to CMS**
- **The CAP also worked with ASCO and the AMA to present a united effort urging CMS to change its 14 day rule policy**
- **CMS agreed to alter its 14 day rule policy for advanced diagnostic laboratory tests (ADLTs) and molecular pathology tests on specimens obtained in outpatient setting.**

CMS Altered its 14-Day Rule Policy

- **Additional exception added to DOS regulations:**
 - **Permits laboratories to bill Medicare directly for ADLTs and molecular pathology tests**
 - **For these services, the DOS is the date the test was performed (instead of the date of collection)**

Other Medicare Program Adjustments to Reimbursement in 2018

Changes to Physician Quality Reporting System and Value-Based Modifier

Changes to Physician Quality Reporting System and Value-Based Modifier

- **Changes to current Physician Quality Reporting System (PQRS) reporting requirements**
 - **Change from 9 measures to 6 measures**
- **Reduction in Value-Based Modifier penalties to align with the new Merit-based Incentive Payment System (MIPS)**

Before we take questions ...



MACRA Webinar

- On November 29 at 1 pm ET/ 12 pm CT, the CAP will host a webinar analyzing the final 2018 Quality Payment Program regulation
- The **Pathologists Quality Registry**, the CAP's very own QCDR, is available for 2018 QPP Reporting Enrollment.
- www.cap.org/registry

Save This Date

2018 CAP Policy Meeting

April 30–May 2

Washington Marriott, Washington, DC



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Questions



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