



COLLEGE of AMERICAN  
PATHOLOGISTS

# Proposed 2019 Medicare Policy and Payment Changes for Pathologists

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Economic and Regulatory Affairs

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# Welcome

**Donald S. Karcher, MD, FCAP**

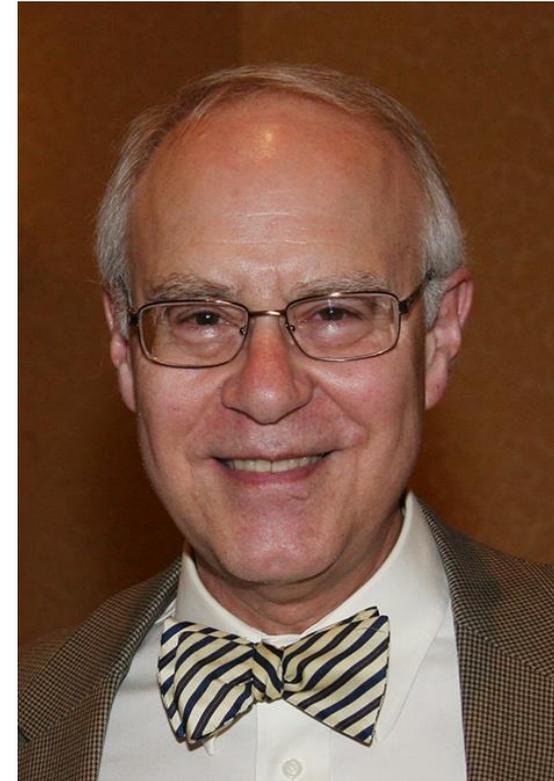
- **Chair, CAP Council on Government and Professional Affairs**



# Welcome

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

- **Chair, CAP Economic Affairs Committee**



# Welcome

**Emily Volk, MD, MBA, FCAP**

- **Vice Chair, CAP Council on Government and Professional Affairs**
- **Chair of the CAP Clinical Data Registry Ad-Hoc Committee**



# Proposed 2019 Medicare Physician Fee Schedule and Quality Payment Program Regulations

- **Proposed 2019 Medicare Physician Fee Schedule was released on July 12**
  - CAP members received a *STATLINE* Alert with initial analysis of this proposed ruling
- **CAP will continue to engage with the Centers for Medicare & Medicaid Services (CMS)**
  - Including formal comments due September 10
- **Final regulations expected Fall of 2018**

# Agenda

- **CAP Policy and Advocacy**
- **Proposed 2019 Fee Schedule and Reimbursement Policy Overview**
- **Proposed 2019 Quality Payment Program Policy Overview**
- **Questions**

# CAP Policy and Advocacy

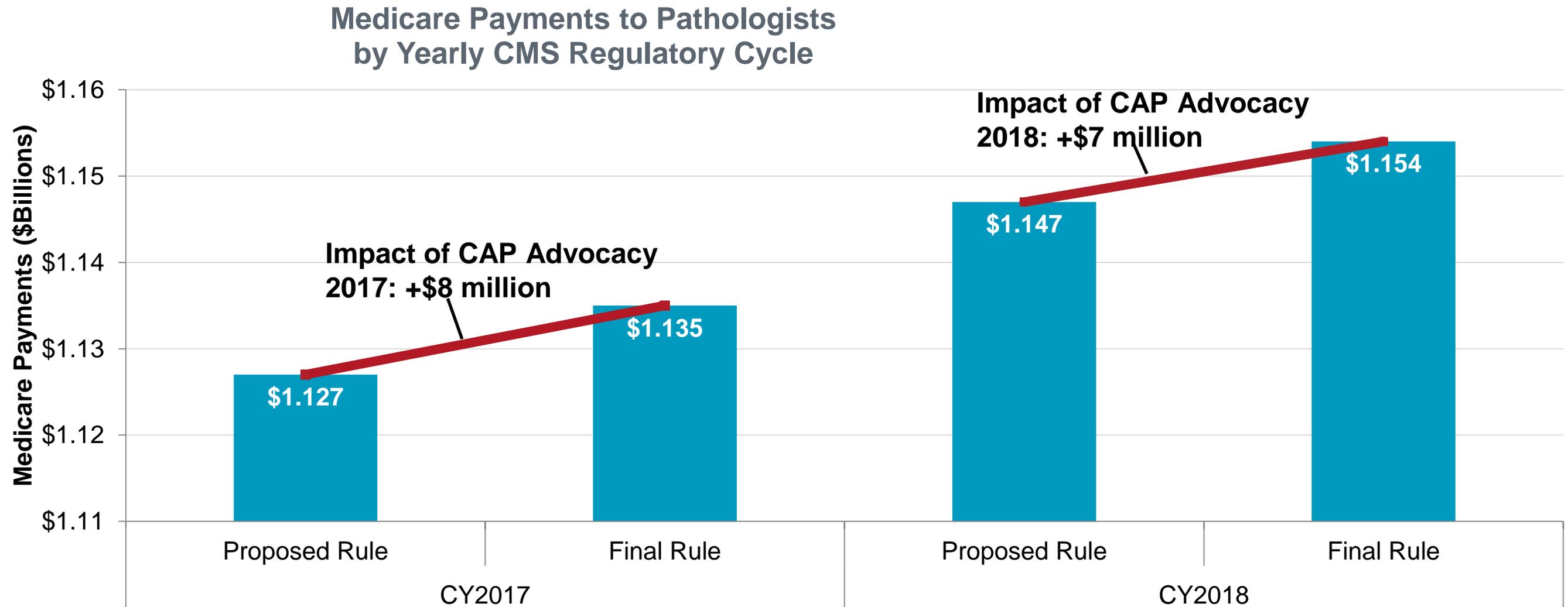
# CAP's Policy and Advocacy Agenda

**Protect the  
value of  
pathology  
services**

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

**Sustain a  
favorable  
laboratory  
regulatory  
environment**

# A \$15 million Difference: Advocacy on the Medicare Fee Schedule in 2017 and 2018



# 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 Scale Update Committee (RUC)**
  - **Submitting formal comments on fee schedules, QPP, Quality measures and other Medicare regulations**

# Proposed 2019 Fee Schedule and Reimbursement Policy Overview

# Proposed Payment for Pathology Services 2019

Specialty	Allowed Charges (millions)	Work RVU Impact Change	Combined Work + PE Impact
Pathology	\$1,158	~0%	-1%
Independent Laboratory	\$640	~0%	4%

- 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
- No new pathology services identified as potentially misvalued

# CMS Response to CAP Recommendations

CPT Code	2018 DESCRIPTION	Work RVU 2018	RUC Rec Work RVU	Work RVU 2019 proposed	% Change 2018-2019
85390	Fibrinolytics or coagulopathy screen, interpretation and report	0.37	0.75	0.75	103%
85060	Blood smear, peripheral, interpretation by physician with written report	0.45	0.45	0.36	-20%
85097	Bone marrow, smear interpretation	0.94	1.00	0.94	0%

# CMS Proposal for 2019: Fine Needle Aspiration

CPT Code	DESCRIPTION	Work RVU 2018	RUC Rec Work RVU	Work RVU 2019 Proposed	% Change 2018-2019
10021	Fine needle aspiration <u>biopsy</u> , without imaging guidance; <u>first lesion</u>	1.27	1.20	1.03	-19%
10022	<del>Fine needle aspiration; with imaging guidance</del>	1.27		** - Deleted - **	
10X11	Fine needle aspiration biopsy, without imaging guidance; each additional lesion (List separately in addition to code for primary procedure)	NA	0.80	0.80	NA

# CMS Proposal for 2019: Fine Needle Aspiration

CPT Code	DESCRIPTION	Work RVU 2018	RUC Rec Work RVU	Work RVU 2019 Proposed	% Change 2018-2019
10X12	Fine needle aspiration biopsy, including ultrasound guidance; first lesion	NA	1.63	1.46	NA
10X13	Fine needle aspiration biopsy, including ultrasound guidance; each additional lesion (List separately in addition to code for primary procedure)	NA	1.00	1.00	NA

# **CMS Proposes Supply and Equipment Pricing Update for 2019**

- **Current direct practice expense (PE) supply and equipment prices were developed in 2004-2005**
- **A CMS contractor conducted a market research study to update the PFS direct PE inputs for supply and equipment pricing**
- **Updated pathology supplies and equipment provides mixed outcomes for professional and technical components**

# CMS Proposed Supplies and Equipment Repricing Top Impacted Pathology

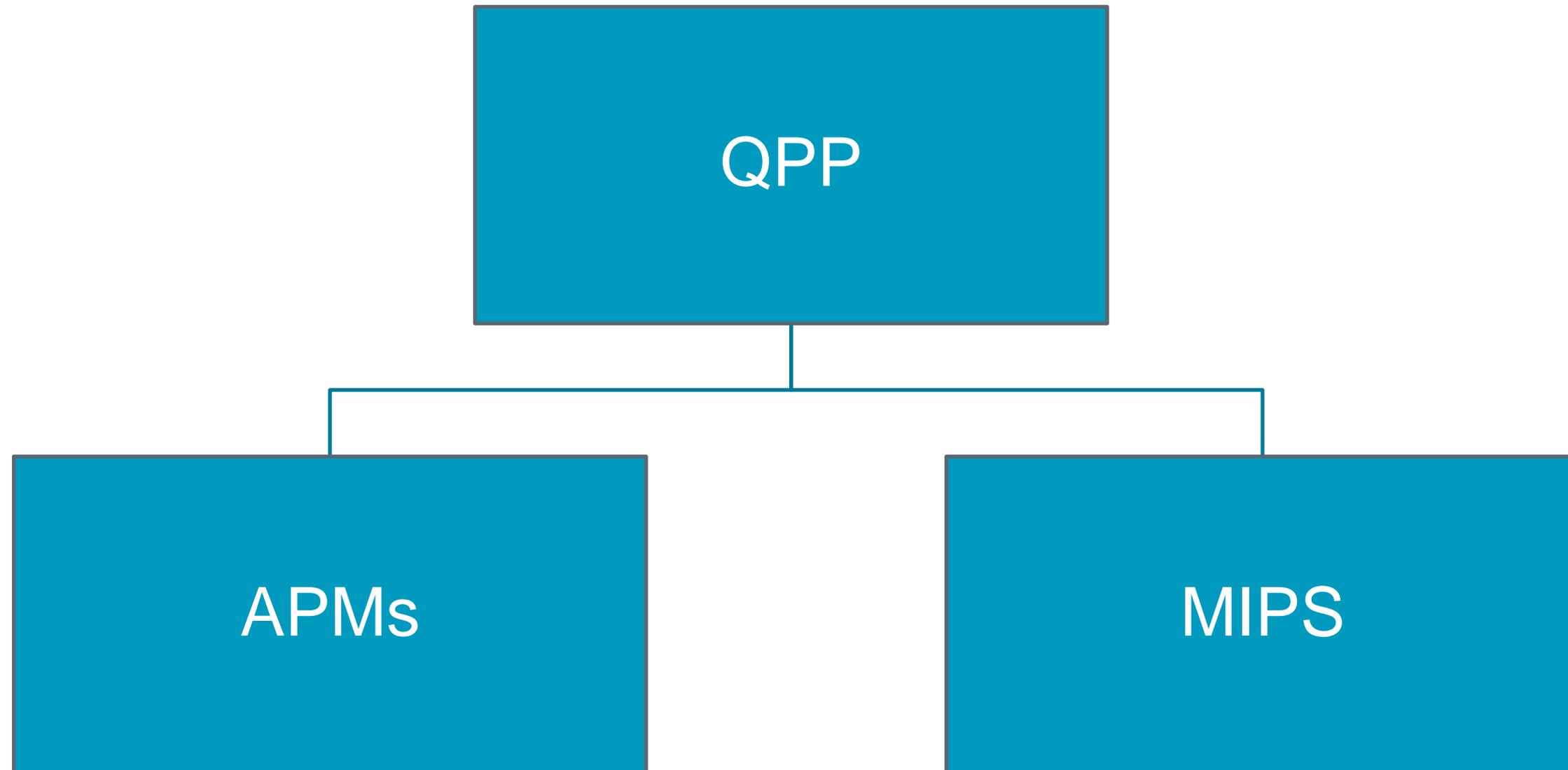
Code	Modifier	Short Descriptor	Practice Expense RVU Change	Practice Expense RVU Percent Change
88187		FLOWCYTOMETRY/READ 2-8	-0.24	-43%
88323	TC	MICROSLIDE CONSULTATION	-0.18	-20%
88361	26	TUMOR IMMUNOHISTOCHEM/COMPU	-0.08	-20%
<b>88305</b>	<b>26</b>	<b>TISSUE EXAM BY PATHOLOGIST</b>	-0.02	-6%
<b>88305</b>		<b>TISSUE EXAM BY PATHOLOGIST</b>	0.05	4%
<b>88305</b>	<b>TC</b>	<b>TISSUE EXAM BY PATHOLOGIST</b>	0.07	8%
88346		IMMUNOFLUOR ANTB 1ST STAIN	0.43	23%
88346	TC	IMMUNOFLUOR ANTB 1ST STAIN	0.45	28%
88381		MICRODISSECTION MANUAL	0.89	31%
88381	TC	MICRODISSECTION MANUAL	0.9	33%
88350		IMMUNOFLUOR ANTB ADDL STAIN	0.9	62%
88350	TC	IMMUNOFLUOR ANTB ADDL STAIN	0.92	76%
88361		TUMOR IMMUNOHISTOCHEM/COMPU	3.31	105%
88365		INSITU HYBRIDIZATION (FISH)	4.62	110%
88365	TC	INSITU HYBRIDIZATION (FISH)	4.65	122%
88361	TC	TUMOR IMMUNOHISTOCHEM/COMPU	3.39	124%
88360		TUMOR IMMUNOHISTOCHEM/MANUA	4.25	146%
88360	TC	TUMOR IMMUNOHISTOCHEM/MANUA	4.33	175%

# Improve PAMA Data Collection for CLFS Rates

- **The CMS is seeking input on alternative approaches for expanding the definition of applicable laboratories**
- **2018 clinical laboratory fee schedule payment rates are based on information from a subset of laboratories**
- **The CAP urges the CMS to expand this definition**

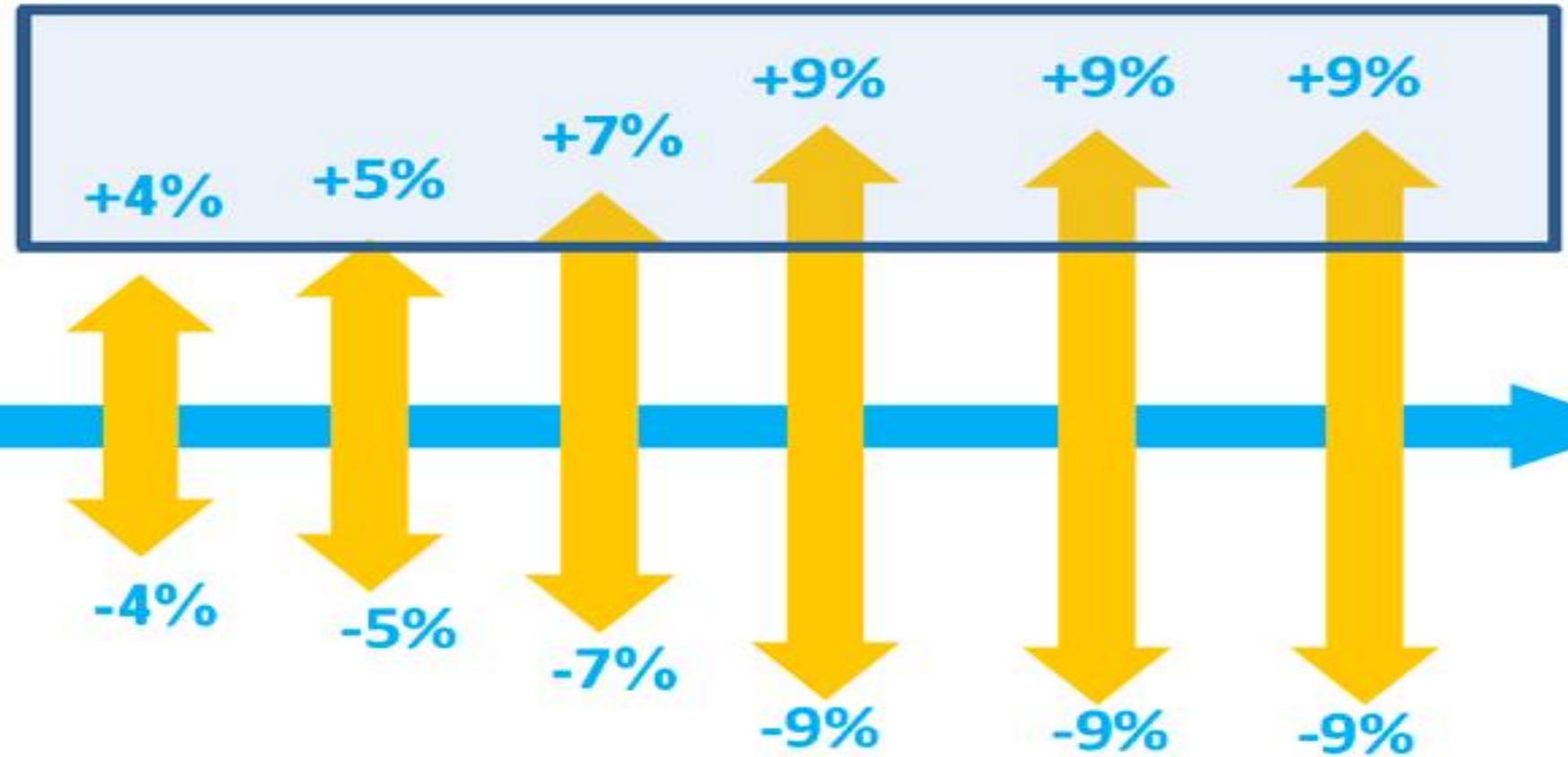
# Proposed 2019 Medicare Quality Payment Program Requirements

# Proposed 2019 Medicare Quality Payment Program



# Year 3 MIPS Implementation

The CMS proposes to increase the **Performance Threshold** to **30 points** in 2019, and to increase the **Exceptional Performance Bonus Threshold** to **80 points**



**Performance Year** 2017 2018 2019 2020 2021 2022 2023 2024

# Part B Impact is Rescaled for MIPS

- **Payment Adjustments will apply only to covered professional services paid under or based on the Physician Fee Schedule beginning with 2019**
  - This means CLFS billing not included in the calculation for bonus adjustment
  - Payment adjustments based on 2017 performance take effect on January 1, 2019.
- **Beginning with 2019 performance year, the low volume threshold calculations will also be based only on covered services in the Medicare Physician Fee Schedule**

# Proposed Modifications 2019 QPP

MIPS Category	Weight*	Requirement	What's New
Quality (measures)	85%	<ul style="list-style-type: none"> <li>✓ 6 measures (one of which being an outcome or high-priority measure)</li> <li>✓ 12 months reporting</li> <li>✓ 60% data completeness</li> </ul>	<p>Measures can be submitted via multiple mechanisms</p> <p>Small practice bonus added to Quality score</p>
Improvement Activities	15%	<ul style="list-style-type: none"> <li>✓ 90 days reporting</li> </ul>	New improvement activities added
Promoting Interoperability	0% (reweighted to Quality)		
Cost	(15% if applicable)	<p>Non-patient-facing MIPS eligible clinicians who have sufficient case volume, in accordance with the attribution methodology</p> <p>CAP is conducting further analysis to determine impact on pathologists</p>	

*\*Scoring weights for non patient facing clinicians*

# Proposed Low Volume Threshold Expansion

## MIPS Policies

Policy Area	2018 Requirements	2019 Proposed Requirements
<b>Low-Volume Threshold (LVT)</b>	<p>To be excluded from MIPS, clinicians and groups must meet one of the following two criterion:</p> <ul style="list-style-type: none"> <li>• ≤ \$90K in Part B allowed charges for <b>covered professional services</b> OR</li> <li>• provide care to ≤ 200 beneficiaries</li> </ul>	<p>To be excluded from MIPS, clinicians or groups would need to meet one of the following <b>three</b> criterion:</p> <ul style="list-style-type: none"> <li>• ≤ \$90K in Part B allowed charges for <b>covered professional services</b></li> <li>• Provide care to ≤ 200 beneficiaries</li> <li>• Provide ≤ 200 covered professional services under the Physician Fee Schedule (PFS)</li> </ul>
<b>Opt-in</b>	None available	Starting in Year 3, clinicians or groups would be able to opt-in to MIPS if they <b>meet or exceed one or two, but not all, of the low-volume threshold criterion</b>

# CMS Proposes New Facility-Based Option

- **Quality and cost category scores would be assigned based on attributed facility's Hospital Value-Based Purchasing program**
- **75% or more of covered professional services**
  - **Inpatient hospital (POS 21) or**
  - **On-campus outpatient hospital (POS 22) or**
  - **Emergency Room (POS 23), and**
- **At least one service billed with POS 21 or 23**
- **Facility-based pathology groups must still attest to Improvement Activities separately from the facility**
- **Facility-based pathologists can also report separately and the CMS will use the highest score**

# CMS Focuses on “Meaningful Measures”

- **96% of claims-based measures are topped out, and are being phased out**
- **The CMS proposed the removal of the following **three** of the eight CAP-developed QPP measures:**
  - **Breast Cancer Resection Reporting**
  - **Colon Cancer Resection Reporting**
  - **Quantitative IHC Evaluation of HER2 Testing in Breast Cancer Patients**

*“Physicians tell us they continue to struggle with excessive regulatory requirements and unnecessary paperwork that steal time from patient care. This Administration has listened and is taking action.”*

*Seema Verma, MPH, CMS  
administrator*

# Claims-Based Reporting Continues to be Phased Out

- **CMS proposes a limit to claims submission to small practices only (15 or fewer clinicians)**
  - Groups larger than 15 pathologists continue to not be able to report as a group via claims
- **CMS is proposing multiple reporting options to help clinicians maximize their score**
  - Clinicians would be able to submit a single quality measure via multiple mechanisms
  - Clinicians who are part of a group or are facility-based would also be able to report as individuals to try to maximize their score

## From the Proposed Rule:

*As previously expressed in the 2017 Final Rule, we want to move away from claims reporting, since approximately 69 percent of the Medicare Part B claims measures are topped out.*

# The Pathologists Quality Registry Helps Our Members with MIPS

- **One stop shopping for Quality measures and Improvement Activities**
- **CAP's Registry staff can help practices navigate these changes and determine the best reporting for your practice**

**Email us at [MIPS@cap.org](mailto:MIPS@cap.org)**

# Advanced APM Details for 2019

- CMS is proposing **increasing** the percentage of eligible clinicians that must use Certified EHR Technology from 50% to at least 75%
- **Clarifying their Advanced APM requirement** for “MIPS-comparable quality measures,” and outcome measures
- **Maintaining the 8% revenue-based financial risk requirement**
- **Increased flexibility** for the All-Payer Combination Option and Other Payer Advanced APMs

**Before we take questions ...**

# MIPS Educational Webinar Series

- **Maximize Your MIPS Bonus Potential** webinar on Aug. 9 at 12 PM ET/  
11 AM CT
- **MIPS Reporting Deep Dive: Which Path is Right for Your Practice?**  
webinar on Sept. 6 at 11 am ET/ 10 am CT
- **Pathologist Improvement Activities You Can Attest to Under MIPS**  
webinar on Sept. 20 at 1 PM ET/ 12 PM CT
- **Earn the Maximum Bonus-A look At Pathology Specific Quality  
Measures That Will Improve Your Score** webinar on Dec. 4 at 12 PM ET/  
11 AM CT
- **Steps Pathologists Should Take Before Reporting MIPS Data to the  
CMS** webinar on Jan. 8, 2019 at 3 PM ET/ 2 PM CT

# Save These Dates

## **CAP18 – The Pathologists' Meeting™**

**October 20-24, 2018**

**Hyatt Regency Chicago, Chicago, IL**

## **2019 CAP Policy Meeting**

**April 29-May 1, 2019**

**Washington Marriott, Washington, DC**

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# Questions



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