



COLLEGE of AMERICAN
PATHOLOGISTS

Proposed 2023 Medicare Policy and Payment Changes for Pathologists

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Welcome

Jonathan L. Myles, MD, FCAP

- **Chair, CAP Council on Government and Professional Affairs**
- **Vice-Chair of the CAP Council on Scientific Affairs**



Welcome

W. Stephen Black-Schaffer, MD, FCAP

- **Chair, CAP Economic Affairs Committee**



Welcome

Diana M. Cardona, MD, FCAP

- **Chair of the Quality and Clinical Data Registry Committee**



Agenda

- **CAP Policy and Advocacy**
- **Proposed 2023 Fee Schedule and Reimbursement Policy Overview**
- **Pathology Codes Impact and Outlook for 2023**
- **Proposed 2023 Quality Payment Program Policy Overview**
- **Take Action**
- **Questions**

Proposed 2023 Medicare Physician Fee Schedule and Quality Payment Program Regulations

- **Proposed 2023 Medicare Physician Fee Schedule and Quality Payment Program regulations were released on July 7**
 - CAP members received a *Special Advocacy Update* with initial analysis of this regulation
- **CAP will continue to engage with the Centers for Medicare & Medicaid Services (CMS)**
- **Final regulations expected Fall of 2023**

CAP Policy and Advocacy

CAP Advocacy Priorities

- **Protect the value of pathology services**
- **Mobilize pathologists for political action**
- **Ensure pathologists can participate in new payment models**
- **Strengthen the profession with advocacy in states**
- **Conduct socioeconomic research**

A never-ending process . . .

**Since 2006, well over half of all pathology
CPT codes have been targeted for
revaluation by the CMS.**

Restore Rank Order for Histotechnologists and Laboratory Technicians

- In an advocacy win for the payment of pathology technical component services, the CMS will restore the proper rank order of the clinical labor rates for histotechnologists and laboratory technicians.
- In the proposed 2023 regulation, the CMS announced changes to the histotechnologist's clinical labor rate, which would be priced more than 16% higher than 2022.
- These rates are being phased in over 4 years. 2023 will be the second year of the phase in.

Proposed Pathology Payment Changes for 2023

- The conversion factor proposed for the 2023 fee schedule payment formula is decreased by 4.4% relative to that of the 2022 fee schedule
- This is due to expiration of the 3% increase to Medicare fee schedule payments for 2022 required by the Protecting Medicare and American Farmers from Sequester Cuts Act, and the required budget neutrality adjustment required by changes in relative value units
- As a result of these changes, the CAP estimates:
 - -3.4% overall impact to pathology Medicare payments
 - -3.5% overall impact to independent laboratory Medicare payments
- Review the proposed pathology services changes in our [proposed 2023 Medicare Physician Fee Schedule Impact Table](#).

Top Pathology Services – Proposed Reimbursements

CPT Code	Modifier	Short Descriptor	2022 Payment	Proposed 2023 Payment	Percent Change
88305	global	Tissue exam by pathologist	\$71.98	\$70.79	-2%
88305	26	Tissue exam by pathologist	\$37.37	\$36.05	-4%
88305	TC	Tissue exam by pathologist	\$34.61	\$34.73	0%
88312	global	Special stains group1	\$114.55	\$111.14	-3%
88312	26	Special stains group1	\$26.30	\$25.47	-3%
88312	TC	Special stains group1	\$88.25	\$85.67	-3%
88313	global	Special stains group 2	\$82.36	\$81.04	-2%
88313	26	Special stains group 2	\$12.11	\$11.58	-4%
88313	TC	Special stains group 2	\$70.25	\$69.46	-1%
88314	global	Histochemical stains add-on	\$100.36	\$89.97	-10%
88314	26	Histochemical stains add-on	\$21.11	\$19.85	-6%
88314	TC	Histochemical stains add-on	\$79.25	\$70.12	-12%
88341	global	Immunohisto antb addl slide	\$102.43	\$85.01	-5%
88341	26	Immunohisto antb addl slide	\$28.03	\$26.79	-4%
88341	TC	Immunohisto antb addl slide	\$61.60	\$58.55	-5%
88342	global	Immunohisto antb 1 st stain	\$89.63	\$99.23	-3%
88342	26	Immunohisto antb 1 st stain	\$34.61	\$33.41	-3%
88342	TC	Immunohisto antb 1 st stain	\$67.83	\$65.82	-3%

Largest Changes in Pathology – Proposed 2023

CPT Code	Modifier	Short Descriptor	2022 Payment	Proposed 2023 Payment	Percent Change
88177	TC	Cytp fna eval ea addl	\$7.27	\$8.27	14%
88182	TC	Cell marker study	\$110.74	\$123.05	11%
88125	TC	Forensic cytopathology	\$13.50	\$14.55	8%
88182		Cell marker study	\$149.15	\$160.43	8%
88162	TC	Cytopath smear other source	\$76.13	\$80.71	6%
88362	TC	Nerve teasing preparations	\$113.16	\$119.74	6%
88185		Flowcytometry/tc add-on	\$22.15	\$18.19	-18%
88184		Flowcytometry/ tc 1 marker	\$69.21	\$61.19	-12%
88314	TC	Histochemical stains add-on	\$79.25	\$70.12	-12%
88374	TC	M/phmtrc alys ishquant/semiq	\$288.62	\$258.67	-10%
88314		Histochemical stains add-on	\$100.36	\$89.97	-10%
88374		M/phmtrc alys ishquant/semiq	\$331.87	\$299.68	-10%

CAP Win: Digital Pathology Codes for 2023

Digital Pathology Codes

On July 1, the American Medical Association CPT Editorial Panel released 13 new digital pathology add-on codes for 2023 that the **CAP successfully advocated for inclusion.**

These codes are to report additional clinical staff work and service requirements associated with **digitizing glass microscope slides for primary diagnosis.**

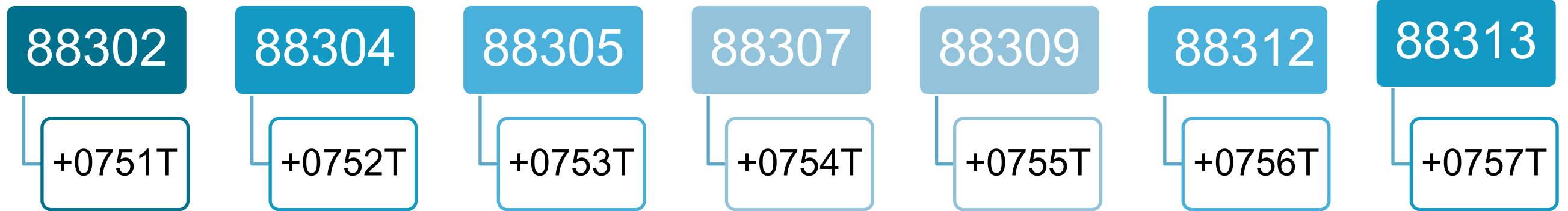
Digital Pathology Digitization Procedures

CPT Code	Long Descriptor
+0751T	Digitization of glass microscope slides for level II, surgical pathology, gross and microscopic examination (List separately in addition to code for primary procedure) ▶(Use 0751T in conjunction with 88302)◀
+0752T	Digitization of glass microscope slides for level III, surgical pathology, gross and microscopic examination (List separately in addition to code for primary procedure) ▶(Use 0752T in conjunction with 88304)◀
+0753T	Digitization of glass microscope slides for level IV, surgical pathology, gross and microscopic examination (List separately in addition to code for primary procedure) ▶(Use 0753T in conjunction with 88305)◀
+0754T	Digitization of glass microscope slides for level V, surgical pathology, gross and microscopic examination (List separately in addition to code for primary procedure) ▶(Use 0754T in conjunction with 88307)◀
+0755T	Digitization of glass microscope slides for level VI, surgical pathology, gross and microscopic examination (List separately in addition to code for primary procedure) ▶(Use 0755T in conjunction with 88309)◀
+0756T	Digitization of glass microscope slides for special stain, including interpretation and report, group I, for microorganisms (eg, acid fast, methenamine silver) (List separately in addition to code for primary procedure) ▶(Use 0756T in conjunction with 88312)◀
+0757T	Digitization of glass microscope slides for special stain, including interpretation and report, group II, all other (eg, iron, trichrome), except stain for microorganisms, stains for enzyme constituents, or immunocytochemistry and immunohistochemistry (List separately in addition to code for primary procedure) ▶(Use 0757T in conjunction with 88313)◀

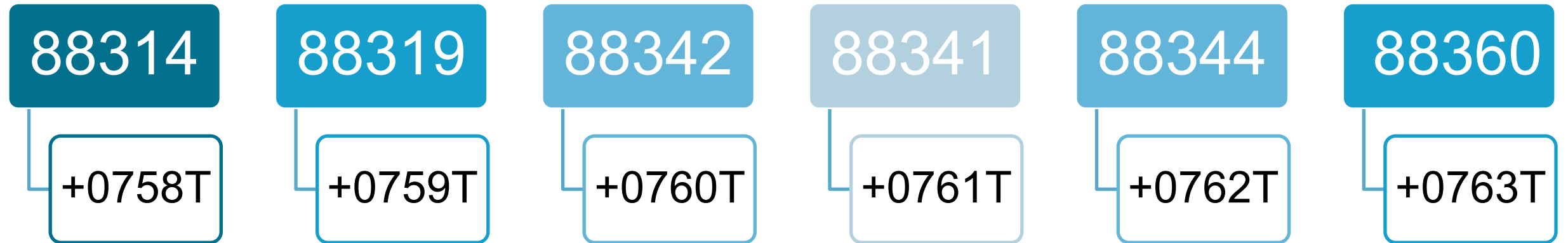
Digital Pathology Digitization Procedures

CPT Code	Long Descriptor
+0758T	Digitization of glass microscope slides for special stain, including interpretation and report, histochemical stain on frozen tissue block (List separately in addition to code for primary procedure) ▶(Use 0758T in conjunction with 88314)◀
+0759T	Digitization of glass microscope slides for special stain, including interpretation and report, group III, for enzyme constituents (List separately in addition to code for primary procedure) ▶(Use 0759T in conjunction with 88319)◀
+0760T	Digitization of glass microscope slides for immunohistochemistry or immunocytochemistry, per specimen, initial single antibody stain procedure (List separately in addition to code for primary procedure) ▶(Use 0760T in conjunction with 88342)◀
+0761T	Digitization of glass microscope slides for immunohistochemistry or immunocytochemistry, per specimen, each additional single antibody stain procedure (List separately in addition to code for primary procedure) ▶(Use 0761T in conjunction with 88341)◀
+0762T	Digitization of glass microscope slides for immunohistochemistry or immunocytochemistry, per specimen, each multiplex antibody stain procedure (List separately in addition to code for primary procedure) ▶(Use 0762T in conjunction with 88344)◀
+0763T	Digitization of glass microscope slides for morphometric analysis, tumor immunohistochemistry (eg, Her-2/neu, estrogen receptor/progesterone receptor), quantitative or semiquantitative, per specimen, each single antibody stain procedure, manual (List separately in addition to code for primary procedure) ▶(Use 0763T in conjunction with 88360)◀

Digital Pathology CPT Codes



Digital Pathology CPT Codes



Digital Pathology Digitization Procedures

Do not report the new Category III codes:

- **Solely for archival purposes (eg, after the Category I service has already been performed and reported)**
- **Solely for educational purposes (eg, when services are not used for individual patient reporting)**
- **Solely for developing a database for training or validation of AI algorithms**
- **Solely for clinical conference presentations (eg, tumor board interdisciplinary conferences)**

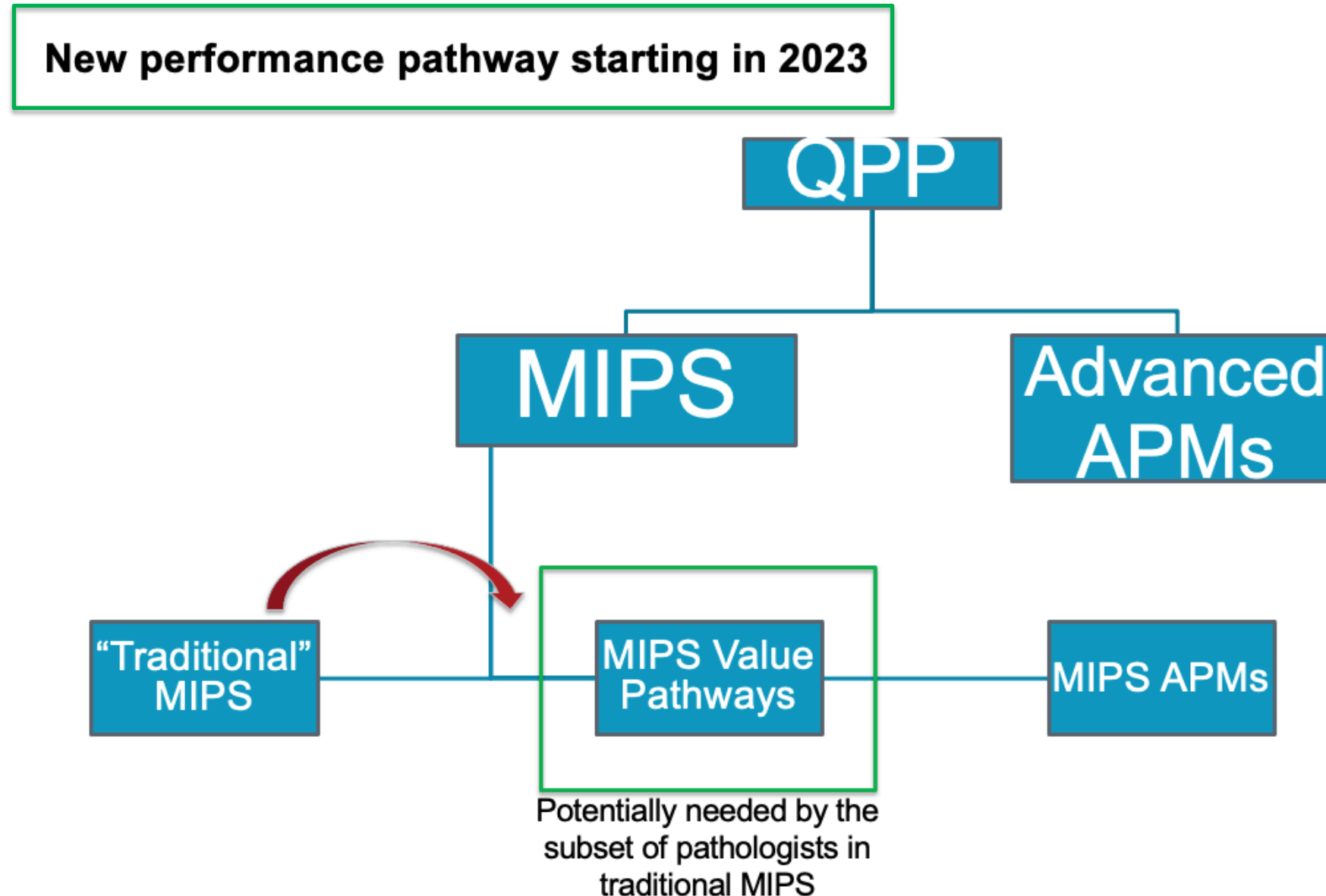
Digital Pathology Digitization Procedures

- **July 1, 2022: Released on the AMA website**
- **January 1, 2023: Effective Date**
 - **July 2022 - December 2022: Preparation for January 2023 implementation**

Proposed 2023 Medicare Quality Payment Program Requirements

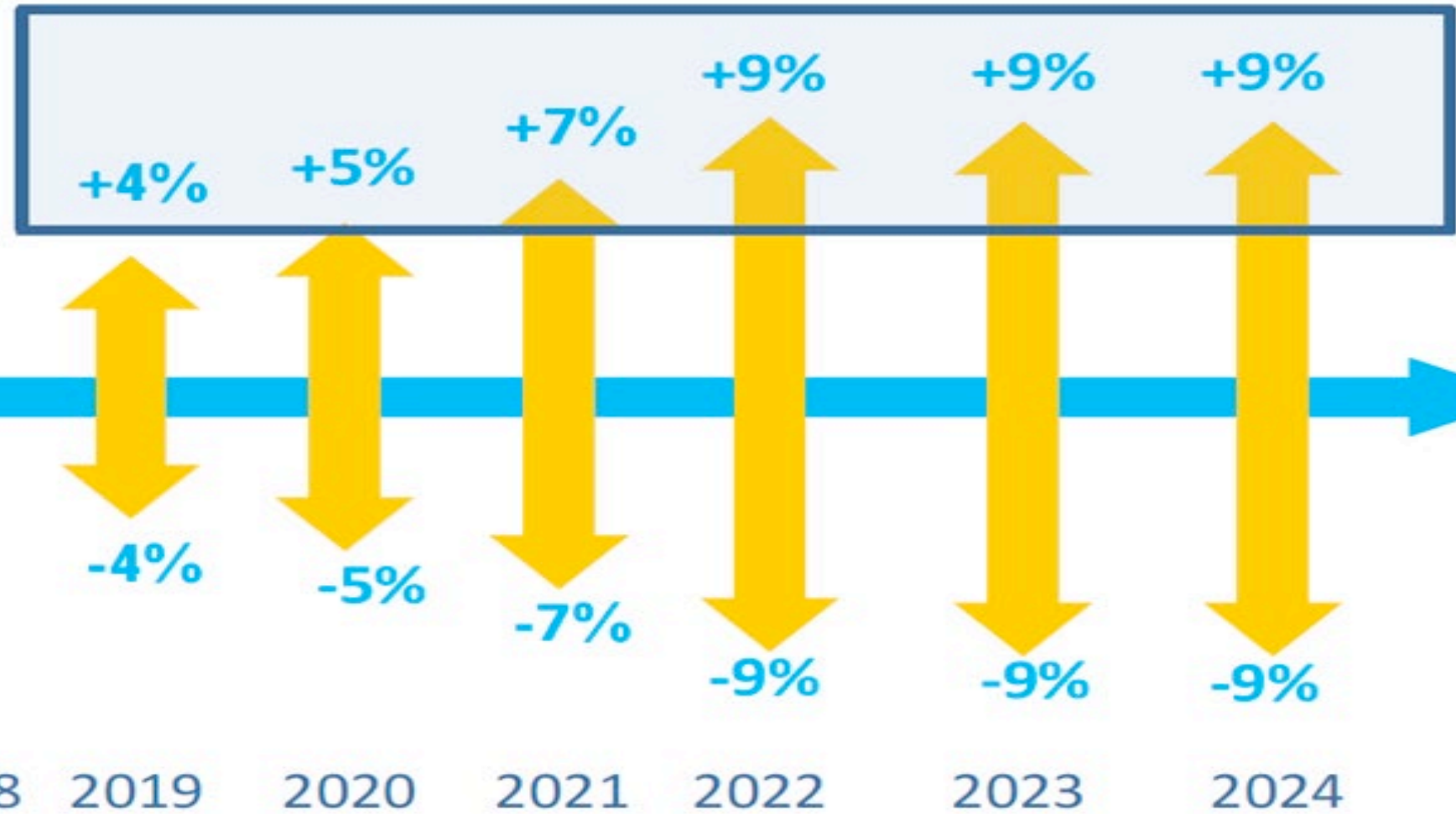
Quality Payment Program Pathways

Two pathways/tracks have been offered under the QPP:



Year 7 MIPS Implementation

Performance Year 2023:
The CMS proposed to
keep the Performance
Threshold at **75 points**

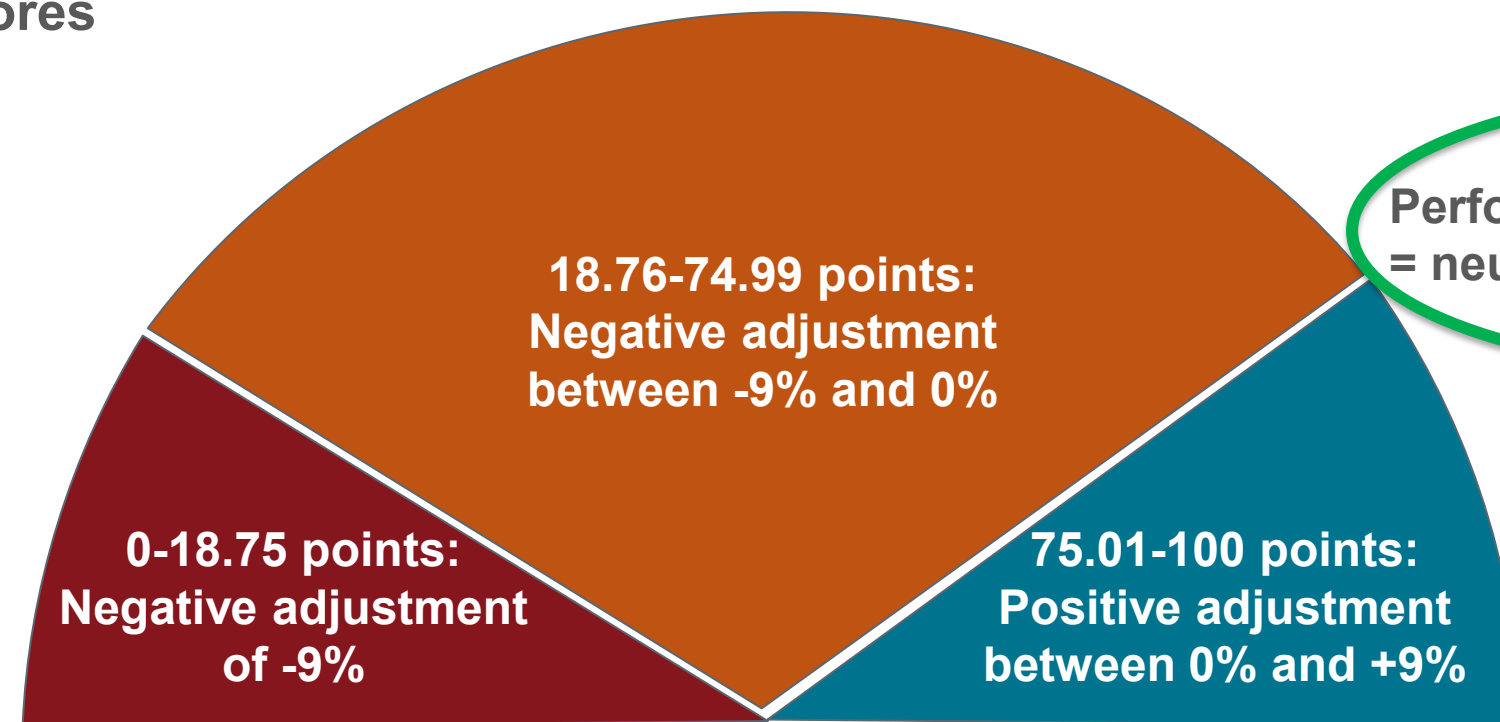


As per the MACRA Statute, 2022 is the last year the Exceptional Performance Bonus is available.

Proposed 2023 MIPS Performance Year

- Quality Measures: **85%** of Final Score
- Improvement Activities: **15%** of Final Score
- Promoting Interoperability: Non-patient facing pathologists and groups automatically reweighted
- Cost: Non-patient facing pathologists and groups are almost never attributed Cost scores

Reweightings Policy for Small Practices (≤ 15 pathologists):
Quality and IA categories each scored at 50% if Promoting Interoperability and Cost are reweighted to 0



Performance Threshold: 75 points = neutral payment adjustment

MIPS Performance Threshold Is Harder to Achieve

- CMS proposes to keep the performance threshold at 75 points in 2023
- The 3-point floor for quality measures will be removed
 - Benchmarked measures are worth 1 - 10 points; however, if topped out worth 1 - 7 points.
Pathologists using topped out QPP measures *must* achieve 100% to get 7 points

2022

Measure	Score	Points
QPP 249	99.8%	3.0
QPP 250	98.0%	3.0
QPP 395	100%	7.0
QPP 396	99.2%	3.0
QPP 397	99.5%	3.5
QPP 440	100%	7.0

Score: 26.5

2023

Measure	Score	Points
QPP 249	99.8%	1.0
QPP 250	98.0%	1.0
QPP 395	100%	7.0
QPP 396	99.2%	1.0
QPP 397	99.5%	2.5
QPP 440	100%	7.0

Score: 19.5

- Maximum Quality score with QPP measures: 42 out of 60
- Maximum Quality score with QPP and QCDR measures in the Pathologists Quality Registry: 54 out of 60

QPP Proposed Rule: What is Staying the Same

Criteria	CY 2022 and CY 2023
Performance Threshold	75 Points
Data Completeness Threshold	Minimum 70% all-payer data completeness
Performance Category Reweighting	Large Practices: 85% Quality/15% IA Small Practices: 50% Quality/50% IA
Measure Bonus Points	No bonus points for additional high priority measures 6 bonus points for small practices
Traditional MIPS Sunset Date	Proposed end date for traditional MIPS was removed

2023 Proposed Pathology Quality Measures Set

2022

Measure ID	Title
QPP 249	Barrett's Esophagus
QPP 250	Radical Prostate Reporting
QPP 395	Lung Cancer Reporting (Biopsy/Cytology)
QPP 396	Lung Cancer Reporting (Resections)
QPP 397	Melanoma Reporting
QPP 440	Biopsy Turnaround Time: Squamous and Basal Cell Cancer and Melanoma*

2023

Measure ID	Title
QPP 249	Barrett's Esophagus
QPP 250	Radical Prostate Reporting
QPP 395	Lung Cancer Reporting (Biopsy/Cytology)
QPP 396	Lung Cancer Reporting (Resections)
QPP 397	Melanoma Reporting
QPP 440	Biopsy Turnaround Time: Squamous and Basal Cell Cancer and Melanoma*
TBD	MMR/MSI for Checkpoint Inhibitor Therapy
TBD	Social Drivers of Health*

The Pathologists Quality Registry Helps Our Members with MIPS

Enrollment is “high-touch” customer service experience from the CAP

Quality Measures:

1. Manual data entry

- Via web portal
- Via excel file upload

2. Automated data entry with billing and/or LIS

Improvement Activities (IA):

- The registry makes it easy to understand and choose from a subset of IA most pathologists are already doing
- Most billing companies cannot submit IA
- Even if you are facility-based, you still need to submit IA

Email us at MIPS@cap.org



It pays to deliver
quality care

Pathologists Quality Registry



New Participation Pathway: MIPS Value Pathways (MVPs)

CMS wants to evolve current MIPS framework

Implementation starting 2023 MIPS Performance Year

Building Pathways Framework

MIPS Value Pathways

Clinicians report on fewer measures and activities based on specialty and/or outcome within a MIPS Value Pathway

Moving to Value



Foundation
Promoting Interoperability
Population Health Measures

Fully Implemented Pathways

Continue to increase CMS provided data and feedback to reduce reporting burden on clinicians



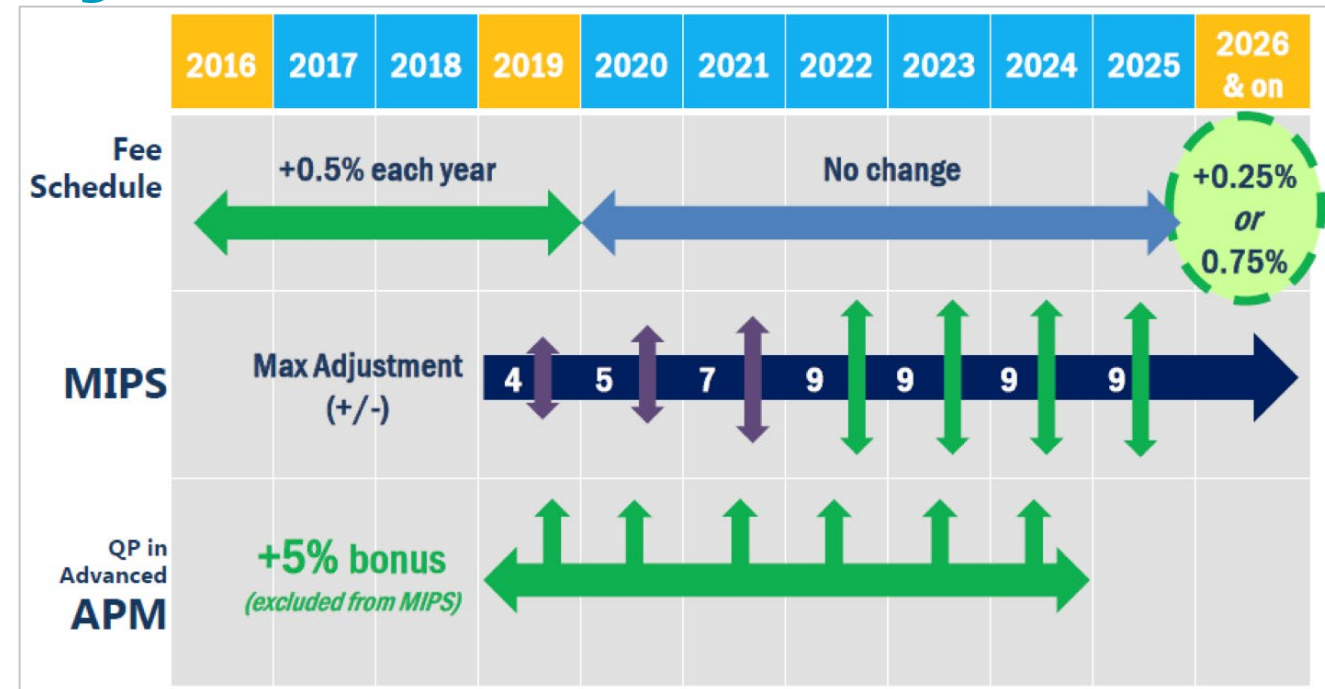
Foundation
Promoting Interoperability
Population Health Measures
Enhanced Performance Feedback
Patient-Reported Outcomes



Proposed 2020 MIPS Value Pathways

- **Seven proposed in 2022, finalized for implementation in 2023**
 - Advancing Care for Heart Disease
 - Optimizing Chronic Disease Management
 - Advancing Rheumatology Patient Care
 - Improving Care for Lower Extremity Joint Repair
 - Adopting Best Practices and Promoting Patient Safety within Emergency Medicine
 - Patient Safety and Support of Positive Experiences with Anesthesia
 - Coordinating Stroke Care to Promote Prevention and Cultivate Positive Outcomes
- **Five new MVPs proposed for 2023**
 - Advancing Cancer Care
 - Optimal Care for Kidney Health
 - Optimal Care for Patients with Episodic Neurological Conditions
 - Supportive Care for Neurodegenerative Conditions
 - Promoting Wellness

Alternative Payment Models in 2023



- Few programmatic changes in Advanced APMs
 - Proposal to make the 8% minimum nominal risk permanent
- The 5% bonus for APM participation ends in CY2022/PY2024
 - In CY2024/PY2026 and beyond, participants in APMs will see an increased conversion factor compared to MIPS participants: 0.75% compared to 0.25%
 - In CY2023/PY2025, no incentive to participate in APMs
- CMS's ultimate goal is to transition health care system over to APMs. Given the conclusion of the incentives, it is uncertain how rapidly this will happen or whether movement into APMs could stagnate

Before we take questions ...

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- Read *Advocacy Update*
- Join PathNET, the CAP's grassroots advocacy network

Questions



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