Proposed 2022 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
Welcome

W. Stephen Black-Schaffer, MD, FCAP

• Chair, CAP Economic Affairs Committee
Welcome

Ronald W. McLawhon, MD, PhD, FCAP

• Vice-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 2022 Fee Schedule and Reimbursement Policy Overview
• Pathology Clinical Consultation Codes Impact
• Proposed 2022 Quality Payment Program Policy Overview
• Take Action
• Questions
Proposed 2022 Medicare Physician Fee Schedule and Quality Payment Program Regulations

• Proposed 2022 Medicare Physician Fee Schedule and Quality Payment Program regulations were released on July 13
  o 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) and strongly urges Congress to reduce or waive Medicare’s budget neutrality requirement for the office visit and other payments
• Final regulations expected Fall of 2021
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
Changes in E/M RVUs Impact the Physician Fee Schedule

Any E/M visit coding revisions and revaluations results in a significant redistribution of Medicare dollars and negatively impacts pathologists and others.

Source: Medicare Physician Spending by Type of Service, 2019 (estimated), AMA, April 2020
Mitigating 2021 Medicare Cuts

• Direct engagement by CAP resulted in action on December 27, 2020

• The legislation directed Medicare to make a 3.75% positive adjustment to the 2021 physician payments.

• The CMS updated 2021 Physician CF to $34.8931, a 3.3% reduction from the 2020 conversion factor

• Suspended 2% payment adjustment (sequestration) through December 31, 2021

• Delayed implementation of the inherent complexity add-on code for E/M services (G2211) until 2024
Threat of Medicare Cuts in 2022

- Based on pathology utilization data the overall impact on reimbursement for 2022 represents an approximate - 5% from 2021 pathology payments.
  - 3.75% cut from revaluation of evaluation of management services
  - 1% cut from clinical labor repricing proposal
  - The CAP’s estimated change for independent laboratories is - 6%

- The CAP has worked throughout 2021 to stop next year’s cut.
  - At the Pathologists Leadership Summit and Hill Day in May, our main ask of Congress was to mitigate the 2022 cut
  - The CAP has further engaged with the administration and leaders in Congress to urge them to act before next year
A never-ending process . . .

Since 2006, about half of all pathology CPT codes have been targeted for revaluation by CMS.
## Top Pathology Services – Proposed Reimbursements

<table>
<thead>
<tr>
<th>CPT Code</th>
<th>Modifier</th>
<th>Short Description</th>
<th>2021 Payment</th>
<th>Proposed 2022 Payment</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>88305</td>
<td>26</td>
<td>Tissue exam by pathologist</td>
<td>$37.68</td>
<td>$35.94</td>
<td>-4.6%</td>
</tr>
<tr>
<td>88312</td>
<td>26</td>
<td>Special stains group 1</td>
<td>$26.87</td>
<td>$25.52</td>
<td>-5.0%</td>
</tr>
<tr>
<td>88313</td>
<td>26</td>
<td>Special stains group 2</td>
<td>$12.21</td>
<td>$11.75</td>
<td>-3.8%</td>
</tr>
<tr>
<td>88341</td>
<td>26</td>
<td>Immunohisto antb addl slide</td>
<td>$28.61</td>
<td>$27.20</td>
<td>-4.9%</td>
</tr>
<tr>
<td>88342</td>
<td>26</td>
<td>Immunohisto antb 1st stain</td>
<td>$35.24</td>
<td>$33.58</td>
<td>-4.7%</td>
</tr>
<tr>
<td>88305</td>
<td>TC</td>
<td>Tissue exam by pathologist</td>
<td>$71.53</td>
<td>$69.86</td>
<td>-2.3%</td>
</tr>
<tr>
<td>88312</td>
<td>TC</td>
<td>Special stains group 1</td>
<td>$113.05</td>
<td>$107.14</td>
<td>-5.2%</td>
</tr>
<tr>
<td>88313</td>
<td>TC</td>
<td>Special stains group 2</td>
<td>$81.65</td>
<td>$78.92</td>
<td>-3.3%</td>
</tr>
<tr>
<td>88341</td>
<td>TC</td>
<td>Immunohisto antb addl slide</td>
<td>$93.86</td>
<td>$80.60</td>
<td>-14.1%</td>
</tr>
<tr>
<td>88342</td>
<td>TC</td>
<td>Immunohisto antb 1st stain</td>
<td>$106.08</td>
<td>$95.38</td>
<td>-10.1%</td>
</tr>
<tr>
<td>88305</td>
<td>TC</td>
<td>Tissue exam by pathologist</td>
<td>$33.85</td>
<td>$33.92</td>
<td>0.2%</td>
</tr>
<tr>
<td>88312</td>
<td>TC</td>
<td>Special stains group 1</td>
<td>$86.19</td>
<td>$81.61</td>
<td>-5.3%</td>
</tr>
<tr>
<td>88313</td>
<td>TC</td>
<td>Special stains group 2</td>
<td>$69.44</td>
<td>$67.17</td>
<td>-3.3%</td>
</tr>
<tr>
<td>88341</td>
<td>TC</td>
<td>Immunohisto antb addl slide</td>
<td>$65.25</td>
<td>$53.40</td>
<td>-18.2%</td>
</tr>
<tr>
<td>88342</td>
<td>TC</td>
<td>Immunohisto antb 1st stain</td>
<td>$70.83</td>
<td>$61.80</td>
<td>-12.7%</td>
</tr>
</tbody>
</table>
# Largest Percent Change – Proposed Reimbursements

<table>
<thead>
<tr>
<th>CPT Code</th>
<th>Modifier</th>
<th>Short Description</th>
<th>2021 Payment</th>
<th>Proposed 2022 Payment</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>36516</td>
<td></td>
<td>Apheresis immunoads slctv</td>
<td>$2,041.60</td>
<td>$1,619.79</td>
<td>-20.7%</td>
</tr>
<tr>
<td>36522</td>
<td></td>
<td>Photopheresis</td>
<td>$1,767.68</td>
<td>$1,377.98</td>
<td>-22.0%</td>
</tr>
<tr>
<td>88374</td>
<td>TC</td>
<td>M/phmtrc alys ishquant/semiq</td>
<td>$308.46</td>
<td>$243.15</td>
<td>-21.2%</td>
</tr>
<tr>
<td>88125</td>
<td>TC</td>
<td>Forensic cytopathology</td>
<td>$12.91</td>
<td>$15.78</td>
<td>22.2%</td>
</tr>
<tr>
<td>88161</td>
<td>TC</td>
<td>Cytopath smear other source</td>
<td>$46.41</td>
<td>$55.41</td>
<td>19.4%</td>
</tr>
<tr>
<td>88162</td>
<td>TC</td>
<td>Cytopath smear other source</td>
<td>$65.25</td>
<td>$85.64</td>
<td>31.2%</td>
</tr>
<tr>
<td>88177</td>
<td>TC</td>
<td>Cytp fna eval ea addl</td>
<td>$7.33</td>
<td>$8.73</td>
<td>19.1%</td>
</tr>
<tr>
<td>88182</td>
<td>TC</td>
<td>Cell marker study</td>
<td>$101.89</td>
<td>$122.25</td>
<td>20.0%</td>
</tr>
<tr>
<td>88348</td>
<td>TC</td>
<td>Electron microscopy</td>
<td>$354.51</td>
<td>$423.17</td>
<td>19.4%</td>
</tr>
<tr>
<td>88356</td>
<td>TC</td>
<td>Analysis nerve</td>
<td>$113.75</td>
<td>$140.05</td>
<td>23.1%</td>
</tr>
</tbody>
</table>
CAP Advocacy Win: Consult Codes in Proposed 2022 Medicare Payment Regulation
Pathology Clinical Consultation Services

• The current clinical pathology consultation services were identified as potentially misvalued for review by the AMA RUC’s Relativity Assessment Workgroup
  o 80500 - Clinical pathology consultation; limited, without review of patient's history and medical records
  o 80502 - Clinical pathology consultation; comprehensive, for a complex diagnostic problem, with review of patient's history and medical records
# Pathology Clinical Consultation Services

<table>
<thead>
<tr>
<th>CPT Code</th>
<th>Description</th>
<th>RUC Recommended Work RVU</th>
<th>2022 Proposed Work RVU</th>
</tr>
</thead>
<tbody>
<tr>
<td>80XX0</td>
<td>Pathology clinical consultation; for a clinical problem with limited review of patient's history and medical records and straightforward medical decision making. When using time for code selection, 5-20 minutes of total time is spent on the date of the consultation.</td>
<td>0.50</td>
<td>0.43</td>
</tr>
<tr>
<td>80XX1</td>
<td>Pathology clinical consultation; for a moderately complex clinical problem, with review of patient's history and medical records and moderate level of medical decision making. When using time for code selection, 21-40 minutes of total time is spent on the date of the consultation</td>
<td>0.91</td>
<td>0.91</td>
</tr>
<tr>
<td>80XX2</td>
<td>Pathology clinical consultation; for a highly complex clinical problem, with comprehensive review of patient's history and medical records and high level of medical decision making. When using time for code selection, 41-60 minutes of total time is spent on the date of the consultation</td>
<td>1.80</td>
<td>1.71</td>
</tr>
<tr>
<td>80XX3</td>
<td>Pathology clinical consultation; prolonged service, each additional 30 minutes (List separately in addition to code for primary procedure)</td>
<td>0.80</td>
<td>0.80</td>
</tr>
</tbody>
</table>
Pathology Clinical Consultation Services

• While the PFS released information regarding the new services is limited, it notes some instructions per CPT:
  o For consultations involving the examination and evaluation of the patient, see 99241-99255
  o Use 80XX3 in conjunction with 80XX2
  o Do not report 80XX0, 80XX1, 80XX2, 80XX3 in conjunction with 88321, 88323, 88325
Pathology Clinical Consultation Services

- CAP will continue to engage with the CMS on advocating to implement the new services

- Educational information for CAP members on the use of the new codes will follow CPT publication
2022 Medicare Quality Payment Program Requirements
Quality Payment Program Pathways

Two pathways/tracks are offered under the QPP:

- MIPS
- Advanced APMs
Year 6 MIPS Implementation

Performance Year 2022:
The CMS proposed to increase the Performance Threshold to 75 points and the Exceptional Performance Bonus Threshold to 89 points.

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

**Proposed New Reweighting Policy for Small Practices (≤ 15 pathologists):**

- Quality and IA categories each scored at **50%** if unable to report on Promoting Interoperability and Cost

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*If CMS attributes any Cost measures to you or your practice, your Quality category score will be 55% and your Cost category score will be 30% of your overall MIPS score.*

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# 2022 Proposed Pathology Quality Measures Set

<table>
<thead>
<tr>
<th>Measures Proposed for 2021 Pathology Measure Set</th>
<th>Submission Mechanism</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Claims**</td>
</tr>
<tr>
<td>249: Barrett’s Esophagus Reporting</td>
<td>X</td>
</tr>
<tr>
<td>250: Radical Prostatectomy Reporting</td>
<td>X</td>
</tr>
<tr>
<td>395: Lung Cancer (biopsy/cytology)*</td>
<td>X</td>
</tr>
<tr>
<td>396: Lung Cancer (resection)*</td>
<td>X</td>
</tr>
<tr>
<td>397: Melanoma Reporting*</td>
<td>X</td>
</tr>
<tr>
<td>440: Basal Cell Carcinoma (BCC)/Squamous Cell Carcinoma (SCC): Biopsy Reporting Time – Pathologist to Clinician*</td>
<td>--</td>
</tr>
</tbody>
</table>

*High Priority Measures
**Only available to small practices of ≤ 15 clinicians
Proposed Changes to Quality Measure Scoring

• Measure value

<table>
<thead>
<tr>
<th>Points</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-10</td>
<td>With benchmark</td>
</tr>
<tr>
<td>7</td>
<td>Topped-out</td>
</tr>
<tr>
<td>5</td>
<td>New measures without benchmark</td>
</tr>
<tr>
<td>0</td>
<td>Without benchmark</td>
</tr>
</tbody>
</table>

• Not meeting 20 case minimum or 70% data completeness

<table>
<thead>
<tr>
<th>Points</th>
<th>Practice Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Large Practice (16+ pathologists)</td>
</tr>
<tr>
<td>3</td>
<td>Small practice (≤15 pathologists)</td>
</tr>
</tbody>
</table>

• Removing bonus points for reporting additional outcome/high priority measures, beyond the 1 required
CAP Advocacy Win: New Proposed Improvement Activity

Title: Implementation of a Laboratory Preparedness Plan

• Maintain a laboratory preparedness plan intended to support continued or expanded patient care during COVID-19 or another public health emergency.

  o It should address how the laboratory would maintain or expand patient access to improve beneficiary health outcomes and reduce healthcare disparities.
  o For labs without a preparedness plan - meet with stakeholders, record minutes, document a preparedness plan, then implement the steps identified in the plan and maintain them.
  o For laboratories with an existing preparedness plans - review, revise, or update the plan as necessary, implement new procedures, and maintain the plan.
New Participation Pathway: MIPS Value Pathways (MVPs)

CMS wants to evolve current MIPS framework

Proposed implementation starting 2023 MIPS Performance Year
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
QCDR Measures Can Offer Increased Scoring Opportunities

- MIPS CQM measures for pathologists are topped out: 7 point maximum
- QCDR measures are only available in the Pathologists Quality Registry
  - Offer potential for 10 points with a benchmark
  - Eventually, benchmark is based on 2 years’ previous historical data
- Performance year benchmark: 20 reporting entities submit data for the measure
- Based on 2020 data, at least 20 reporting entities submitted at least 20 cases for two of CAP’s QCDR measures
  - H Pylori (10 points)
  - Prostate Cancer Gleason Pattern, Score and Grade Group (10 points)
- Performance year benchmarks do not carry over and are not guaranteed for 2021 and 2022 performance years
Example: CAP’s QCDR Measures that Receive Benchmarks Can Help Practices Achieve Higher Scores

For Small Practices of ≤15 clinicians (6 bonus points added to their Quality; proposed reweighting: 50% quality, 50% IA)

- 6 QPP measures (assuming 100% performance, data completeness met and >20 cases and full credit for IA) = 90 FINAL MIPS SCORE
- 4 QPP measures + 2 benchmarked QCDR measures (CAP28 and CAP32) (assuming 100% performance, data completeness met and >20 cases and full credit for IA) = 95 FINAL MIPS SCORE

For Large Practices of 16+ clinicians (reweighting: 85% quality, 15% IA)

- 6 QPP measures (assuming 100% performance, data completeness met and >20 cases and full credit for IA) = 74.75 FINAL MIPS SCORE
- 4 QPP measures + 2 benchmarked QCDR measures (CAP28 and CAP32) (assuming 100% performance, data completeness met and >20 cases and full credit for IA) = 83 FINAL MIPS SCORE

Assumption that CAP28 and CAP32 receive benchmarks and can be scored at a maximum 10 points.
Before we take questions ...
Stay Informed Through the CAP

- Follow CAP on social media
  - Twitter @CAPDCAdvocacy
  - Facebook.com/capathologists
- Visit CAP.org > advocacy
- Read Advocacy Update
- Join PathNET, the CAP’s grassroots advocacy network
Questions