



COLLEGE of AMERICAN
PATHOLOGISTS

Final 2021 Medicare Policy and Payment Changes for Pathologists

Jonathan L. Myles, MD, FCAP

W. Stephen Black-Schaffer, MD, FCAP

Diana Cardona, MD, FCAP

Pam Wright, Senior Director of CAP Economic & Regulatory Affairs,
Advocacy

December 11, 2020

Welcome

Jonathan Myles, MD, FCAP

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



Welcome

W. Stephen Black-Schaffer, MD, FCAP

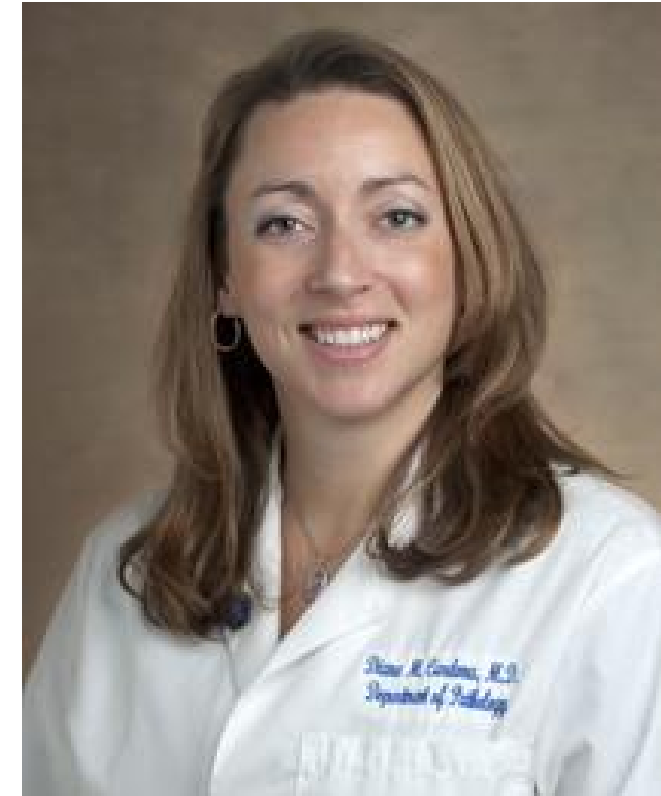
- **Chair, CAP Economic Affairs Committee**



Welcome

Diana Cardona, MD, FCAP

- **Vice-Chair, Economic Affairs Committee**
- **Chair of the Measures and Performance Assessment Subcommittee**



Final 2021 Medicare Physician Fee Schedule and Quality Payment Program Regulations

- **Final 2021 Medicare Physician Fee Schedule and Quality Payment Program regulations were released on December 1**
 - CAP members received a *Special Advocacy Update* with initial analysis of this regulation
- **CAP is asking Congress to waive Medicare's budget neutrality requirement for the office visit and other payments**

Agenda

- **CAP Policy and Advocacy**
- **Final 2021 Fee Schedule and Reimbursement Policy Overview**
- **E/M Cuts Impact in 2021**
- **Final 2021 Quality Payment Program Policy Overview**
- **Questions**

CAP Policy and Advocacy

CAP Advocacy Priorities

- **Protect the value of pathology services**
- **Ensure pathologists can participate in quality payment models/initiatives**
- **Reduce regulatory burdens on pathologists and laboratories**
- **Mobilize CAP members for political action**

Pathologists will face a 9% cut in 2021

- **The CMS will follow through with significant payment cuts to pathologists in 2021**
- **The reduction, which the CAP has strongly opposed, is a result of budget neutrality requirements that offset the cost of major changes to evaluation and management (E/M) services set to take effect next year**
- **Pathologists will see an overall decrease in Medicare payment of 9% to fund increases in payment for E/M services**

CAP Priorities During “Lame Duck Session”

- Our top legislative priority remains securing relief for the -9% Medicare cut to pathologists scheduled for January 1.
 - The CAP is a leader within a multi-physician association coalition seeking to stop the cuts.
- There has been little movement on surprise medical bills legislation.
- Another COVID-19 relief package has stalled in Congress.



New Administration

- **COVID-19 was a major issue for President-elect Joe Biden during his campaign.**
 - New COVID-19 Advisory Board appointed
- **Advisory Board heavily tilted toward individuals with public health, infectious disease, and pandemic response experience.**
 - Many individuals served in previous Democratic or Republican administrations, leading health agencies



Key Appointments in the Biden Administration

- **Health and Human Services Secretary: Xavier Becerra**
 - Current: California Attorney General
 - Previously: Represented Los Angeles in Congress, served on Ways and Means Social Security Subcommittee (Ranking Member), Subcommittee on Health; and chaired Congressional Hispanic Caucus.
- **Centers for Disease Control and Prevention: Rochelle Walensky, MD**
 - Chief of the Division of Infectious Diseases at Massachusetts General Hospital and Professor of Medicine at Harvard Medical School.



Key Appointments in the Biden Administration

- **Surgeon General: Vivek Murthy, MD**
 - Former Surgeon General during the Obama Administration.
- **COVID-19 Equity Task Force Chair: Marcella Nunez-Smith, MD**
 - Founding Director of Yale University's Equity Research and Innovation Center.
- **Chief Medical Advisor on COVID-19 to the President: Anthony Fauci, MD**
- **Other advisors:**
 - Jeff Zients, White House COVID-19 'Czar'
 - Natalie Quillian, Deputy Coordinator on COVID-19 Response



A never-ending process . . .

Since 2006, over half of all pathology CPT codes have been targeted for reevaluation by the CMS

Final 2021 Fee Schedule and Reimbursement Policy Overview

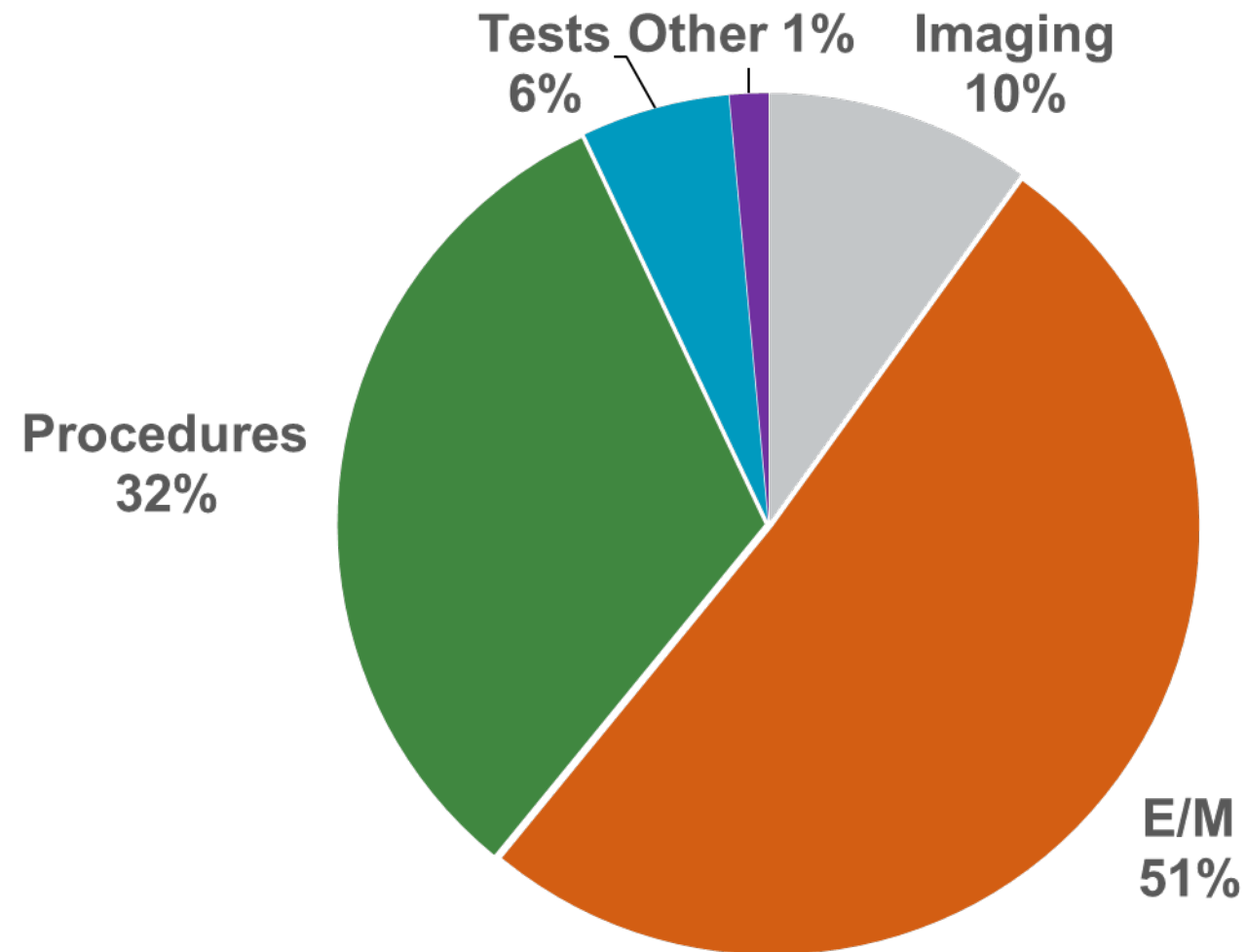
Final Payment for Pathology Services 2021

Specialty	Allowed Charges (millions)	Combined Work + PE Impact	Dollars Represented in Millions
Pathology	\$1,265	-9%	- \$114
Independent Laboratory	\$645	-5%	- \$32

CY 2020 Conversion Factor		\$36.0896
Statutory Update Factor	0.00 percent (1.0000)	
CY 2021 RVU Budget Neutrality Adjustment	-10.20 percent (0.8980)	
CY 2021 Conversion Factor		\$32.4085

[Final 2021 Medicare Physician Fee Schedule Impact Table](#)

Changes in E/M RVUs Impacts the Physician Fee Schedule



Medicare Physician Spending by Type of Service, 2018 (estimated), AMA, April 2019

CMS Cuts Payment to Specialists, Shifts Money to Primary Care Providers

- **Hardest hit specialists:**
 - **Radiology** – 10%
 - **Pathology** – 9%
 - **Cardiac Surgery** – 8%
 - **Anesthesiology** – 8%
 - **Ophthalmology** – 6%

Molecular Pathology Interpretations

HCPCS Code	DESCRIPTION	Work RVU 2020	RUC Rec Work RVU	Work RVU 2021	% Change 2020-2021
G0452	Molecular pathology procedure; physician interpretation and report	0.37	0.93	0.93	151%

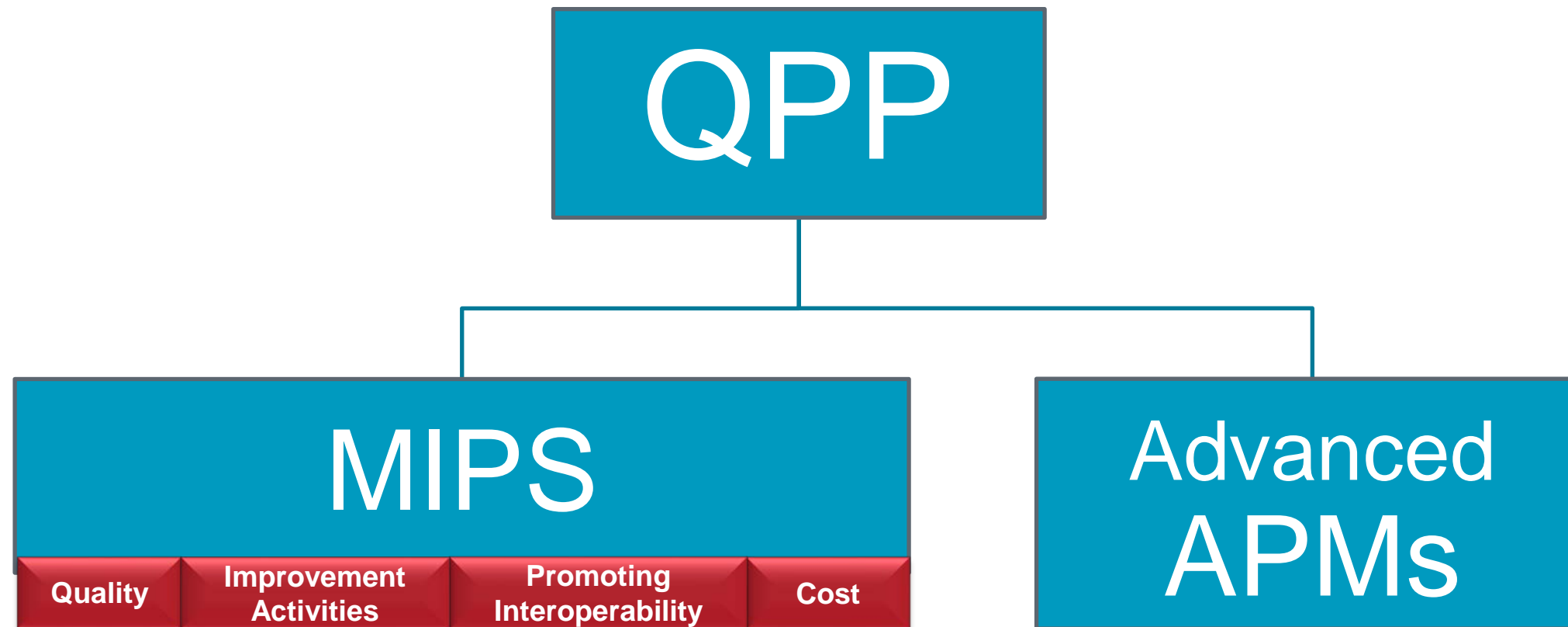
PAMA Revisions

- In 2019 and 2020, Congress passed legislation that revised the requirements for the reporting period and phase-in of payment reductions
- The CMS finalized changes included in the proposed rule to reflect these revisions:
 - No reporting is required beginning Jan. 1, 2020 and ending Dec. 31, 2021
 - Reporting is required beginning January 1, 2022 (will use data collected in 2019)
 - For CY 2021, payment may not be reduced as compared to 2020
 - For CYs 2022 through 2024, payment may not be reduced by more than 15 percent per year

2021 Medicare Quality Payment Program Requirements

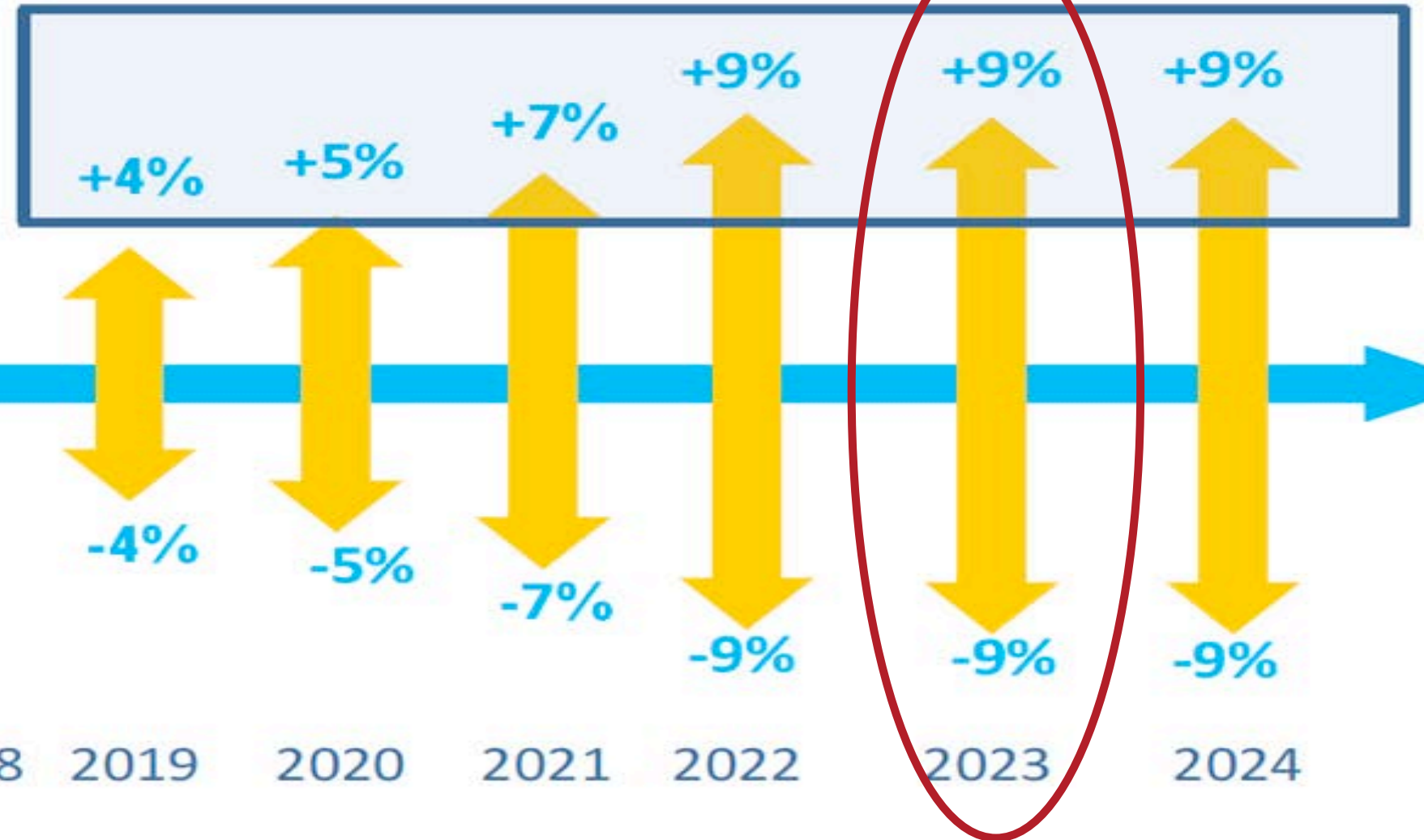
Quality Payment Program Pathways

Two pathways/tracks are offered under the QPP:



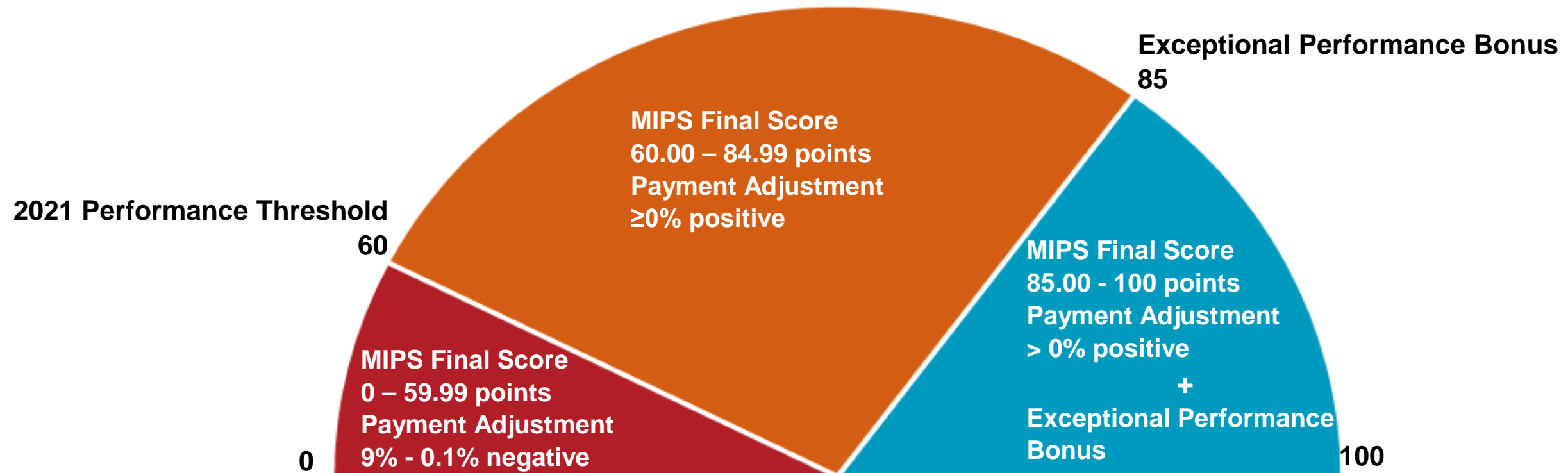
2021 - Year 5 MIPS Implementation

Performance Year 2021:
The CMS increased the Performance Threshold to **60 points**. The Exceptional Performance Bonus Threshold remains at **85 points**.



2021 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



***If CMS attributes any **Cost** measures to you or your practice, your Quality category score will be 65% and your **Cost** category score will be 20% of your overall MIPS score.**

2021 Pathology Quality Measures Set

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

*High Priority Measures

**Only available to small practices of ≤ 15 clinicians

COVID-19 MIPS Reporting Relief

2019 Performance Year	2020 Performance Year	2021 Performance Year
<ul style="list-style-type: none">• CMS applied the automatic extreme and uncontrollable circumstances policy to MIPS eligible clinicians who were unable to submit data• CMS allowed reopening of the extreme and uncontrollable circumstances application to those clinicians and groups who wanted reweighting of already submitted performance categories to 0%• Low positive payment adjustments due to many clinicians receiving a neutral payment adjustment and budget neutrality of MIPS• Check your 2019 performance feedback at qpp.cms.gov	<ul style="list-style-type: none">• CMS is allowing clinicians to request a hardship exception if unable to submit MIPS data• Submit an extreme and uncontrollable circumstances application by February 1, 2021 https://qpp.cms.gov/mips/exception-applications• CMS will evaluate applications on a case-by-case basis• If approved, CMS will reweight the requested performance categories to 0% and award a neutral payment adjustment	<ul style="list-style-type: none">• CMS will continue its extreme and uncontrollable circumstances policy to allow clinicians and groups to apply to request a reweight of one or more MIPS performance categories due to the COVID-19 public health emergency• Application and additional resources will be available in Spring 2021• Delaying implementation of MIPS Value Pathways (MVPs) until 2022

2019 MIPS Payment Adjustments Affected by COVID-19 Relief

- CMS granted automatic COVID-19 relief
 - As advocated by the CAP
 - Only 0.55% of clinicians received a negative payment adjustment
 - Resulted in lower payment adjustments compared to 2018 due to budget neutrality
 - Those who scored above the performance threshold (30 points) but below the exceptional performance threshold (75 points) received a 0% payment adjustment instead of a positive payment adjustment

MIPS Score	2018 Payment Adjustments	2019 Payment Adjustments
Above Performance Threshold but below Exceptional Performance Threshold	0.01% to 0.20%	0.00%
Above Exceptional Performance Threshold*	0.21% to 1.68%	0.09% to 1.79%

*Not subject to budget neutrality

2021 Alternative Payment Model (APM) Updates

- **Medicare Shared Savings Program**
 - CMS finalized **modified** changes to the quality performance standard and quality reporting requirements for performance years beginning on January 1, 2021 to align with Meaningful Measures, reduce reporting burden, and focus on patient outcomes
- **APM Incentive Payment**
 - Clarifies calculation and disbursement of the APM Incentive Payment
- **Qualifying APM Participant (QP)**
 - Updates QP determination methodology and establishes a targeted review process for addressing QP and partial QP determinations

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



Before we take questions ...

#Fightthecuts Campaign

- **The CAP launched an advocacy campaign - #fightthecuts Campaign**
- **Members of Congress need to hear directly from their physician constituents about the severe impact this -9% cut will have on the vital role pathologists have in health care.**

Stay Informed Through the CAP

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 - [Facebook.com/capathologists](#)
- Visit [CAP.org](#) > advocacy
- Read *Advocacy Update*
- Join PathNET, the CAP's grassroots advocacy network

Questions



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