



COLLEGE of AMERICAN
PATHOLOGISTS

Final 2020 Medicare Policy and Payment Changes for Pathologists

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Welcome

Jonathan L. Myles, MD, FCAP

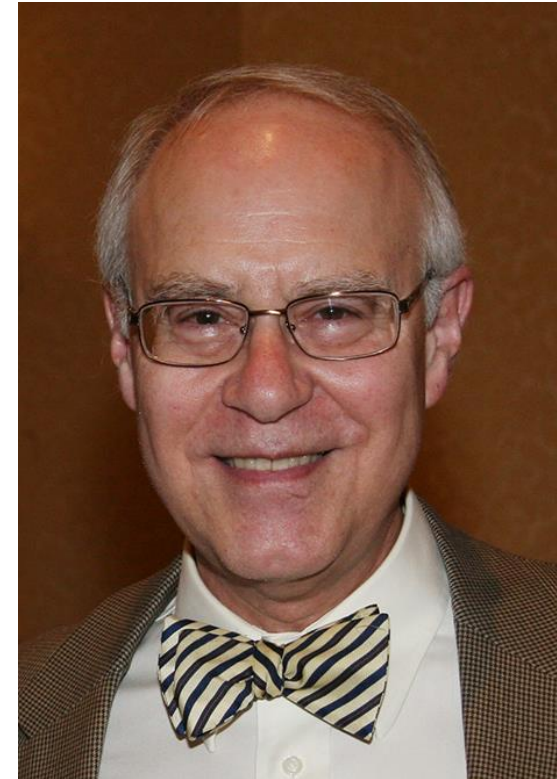
- **Chair, CAP Council on Government and Professional Affairs**



Welcome

W. Stephen Black-Schaffer, MD, FCAP

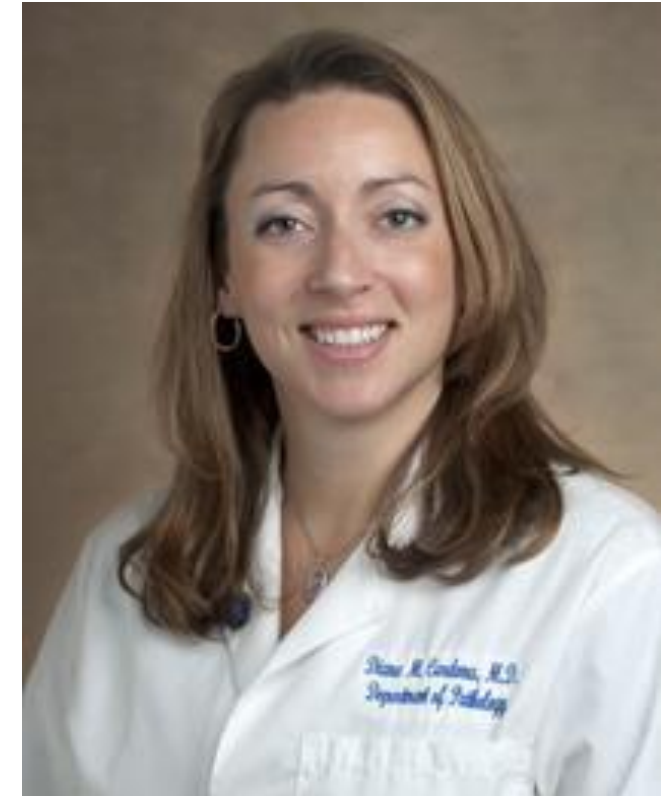
- **Chair, CAP Economic Affairs Committee**



Welcome

Diana M. Cardona, MD, FCAP

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



Final 2020 Medicare Physician Fee Schedule and Quality Payment Program Regulations

- **Final 2020 Medicare Physician Fee Schedule and Quality Payment Program regulations were released on November 1**
 - **CAP members received a special *Advocacy Update* with initial analysis of this regulation**

Agenda

- **CAP Policy and Advocacy**
- **Final 2020 Fee Schedule and Reimbursement Policy Overview**
- **Final 2020 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**

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**
- **According to the CMS the final changes would result in no overall decrease or increase to 2020 pathology payment compared to the 2019 Medicare fee schedule**
- **CAP engaged extensively with the CMS to mitigate cuts to pathology services**

A never-ending process . . .

**Since 2006, about half of all pathology
CPT codes have been targeted for
reevaluation by CMS.**

Final 2020 Fee Schedule and Reimbursement Policy Overview

Payment for Pathology Services 2020

Specialty	Allowed Charges (millions)	Work RVU Impact Change	Combined Work + PE Impact
Pathology	\$1,212	0%	0%
Independent Laboratory	\$597	0%	1%

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

Cytopathology, Cervical, or Vaginal

CPT Code	DESCRIPTION	Work RVU 2019	RUC Rec Work RVU	Work RVU 2020	% Change 2019-2020
88141	Cytopathology, cervical or vaginal (any reporting system), requiring interpretation by a physician	0.42	0.42	0.26	- 38%
G0141	Screening cytopathology smears, cervical or vaginal, performed by an automated system, with manual rescreening, requiring interpretation by a physician	0.42	0.42	0.26	- 38%
G0124	Screening cytopathology, cervical or vaginal (any reporting system), collected in preservative fluid, automated thin layer preparation, requiring interpretation by a physician	0.42	0.42	0.26	- 38%
P3001	Screening Papanicolaou smear, cervical or vaginal, up to three smears, requiring interpretation by a physician	0.42	0.42	0.26	- 38%

Cytopathology, Cervical, or Vaginal

- Total Values Phased In Over Two Years

CPT Code	DESCRIPTION	Total Non-Facility RVUs 2019	Total Non-Facility RVUs 2020	Percent Change 2019 – 2020 Phase In	Final Total Non-Facility RVUs	Total Percent Change
88141	Cytopathology, cervical or vaginal (any reporting system), requiring interpretation by a physician	0.90	0.73	19%	0.63	- 30%
G0141	Screening cytopathology smears, cervical or vaginal, performed by an automated system, with manual rescreening, requiring interpretation by a physician	0.90	0.73	19%	0.63	- 30%
G0124	Screening cytopathology, cervical or vaginal (any reporting system), collected in preservative fluid, automated thin layer preparation, requiring interpretation by a physician	0.90	0.73	19%	0.63	- 30%
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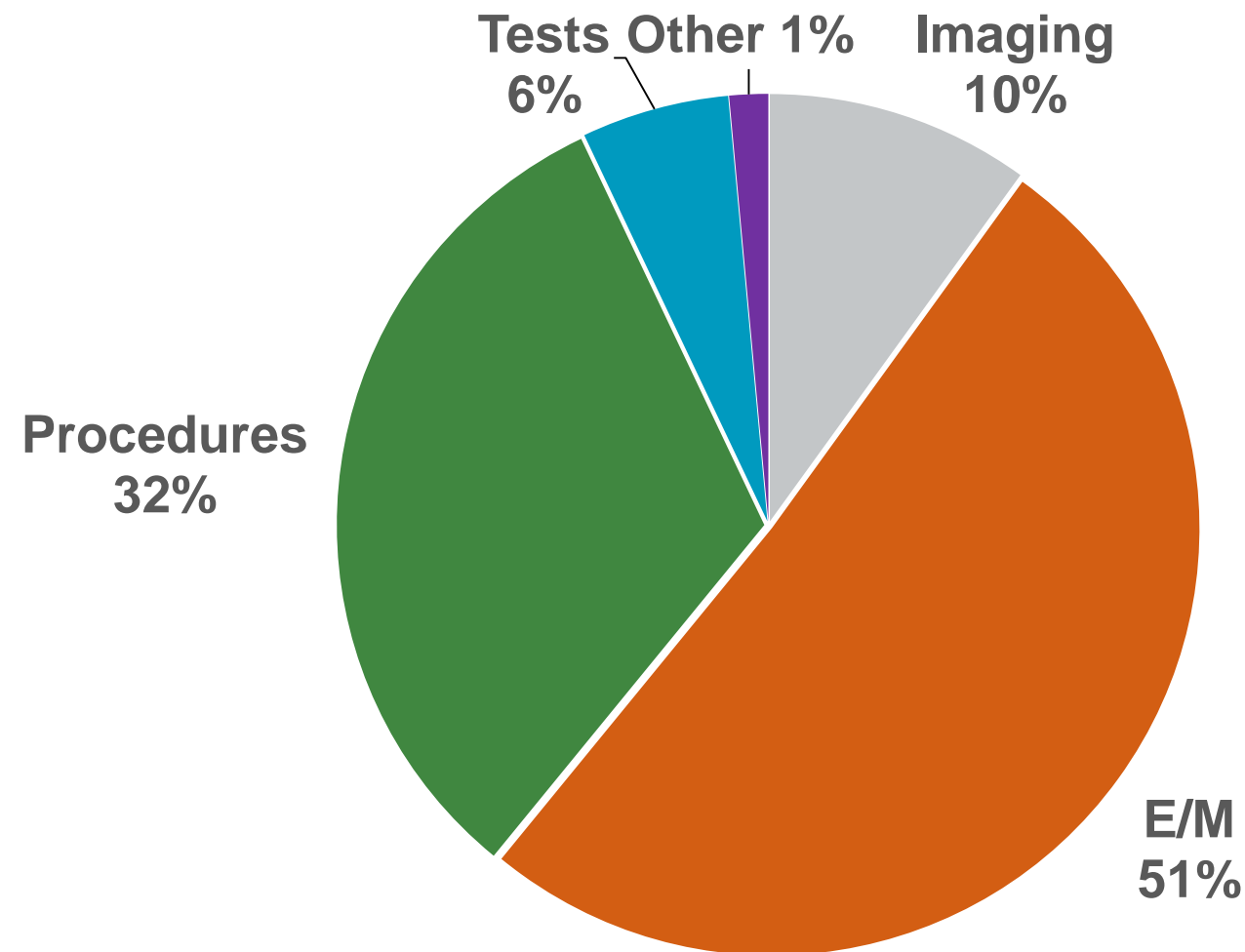
\$30 Million Increase For Pathology Services

- The CMS updated **36 direct practice expense supplies and equipment prices, 26 related to pathology services**
- **24 of these are increases, due to the direct engagement of the CAP's advocacy to correct errors by CMS contractors**
- These prices **largely account for the technical component** of many pathology services, and are also reflected in global payment rates
- These changes represent an **additional \$30 million** for pathology

Evaluation and Management (E/M) Services Changes

- **CMS finalized payment increases for E/M services for 2021**
- **Estimated impact on pathology is - 8%**
- **CMS expanded AMA recommendation by creating an E/M add-on code**
- **CAP and AMA opposed this change responsible for - 3% to pathology**
- **CMS however agreed with CAP and did not expand E/M increase to surgical global period services**

Any Change in E/M RVUs Impacts the Entire Medicare Spending and All Specialties



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:**
 - **Anesthesiology** – 7%
 - **Pathology** – 8%
 - **Radiology** – 8%
 - **Cardiac Surgery** – 8%
 - **Ophthalmology** – 10%

E/M Final **2021** Impact on Pathology and Independent Laboratory

Specialty	Allowed Charges based on CY 2018 utilization and CY 2019 rates (millions)	Combined Impact of E/M Redistribution	Dollars Represented in Millions
Pathology	\$1,203	- 8%	- \$97
Independent Laboratory	\$592	- 4%	- \$24

Misvalued Code Initiative Win

- **Fine Needle Aspiration Biopsy Services identified as **NOT misvalued in final rule****
 - **10021 - Fine needle aspiration biopsy, without imaging guidance; first lesion**
 - **10005 - Fine needle aspiration biopsy, including ultrasound guidance; first lesion**
- **The CAP engaged with the AMA RUC and the CMS to protect the value of these services**

Impact on Independent Laboratories

- Medicare pathology fee schedule payments are estimated **to increase by 1% in 2020** due to changes to the technical component direct practice expense inputs
- **This does not reflect** all the effects of other Medicare payment changes on independent laboratories, as they receive approximately 83% of their Medicare revenue from clinical laboratory services, which are paid under the clinical laboratory fee schedule (CLFS)

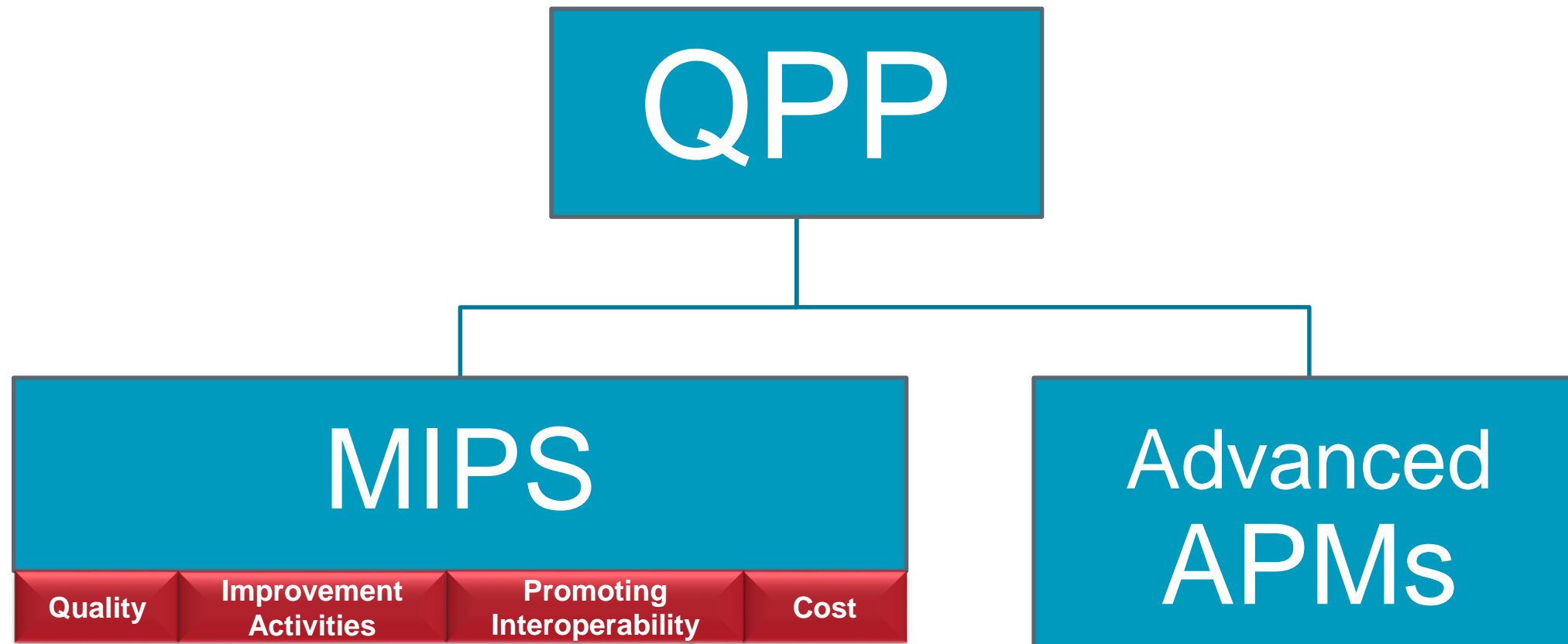
Final 2020 Outpatient Prospective Payment System

- **CMS proposed changes to the Laboratory Date of Service (DOS)**
 - Require prospective utilization of test results to be determined by the ordering physician
 - Limit the laboratory DOS exception to only ADLTs
- **CMS proposed a 46% decrease in the ambulatory payment classification of Pathology Service 88307**
- **In the final regulation, the CMS agreed with the CAP comments**

2020 Medicare Quality Payment Program Requirements

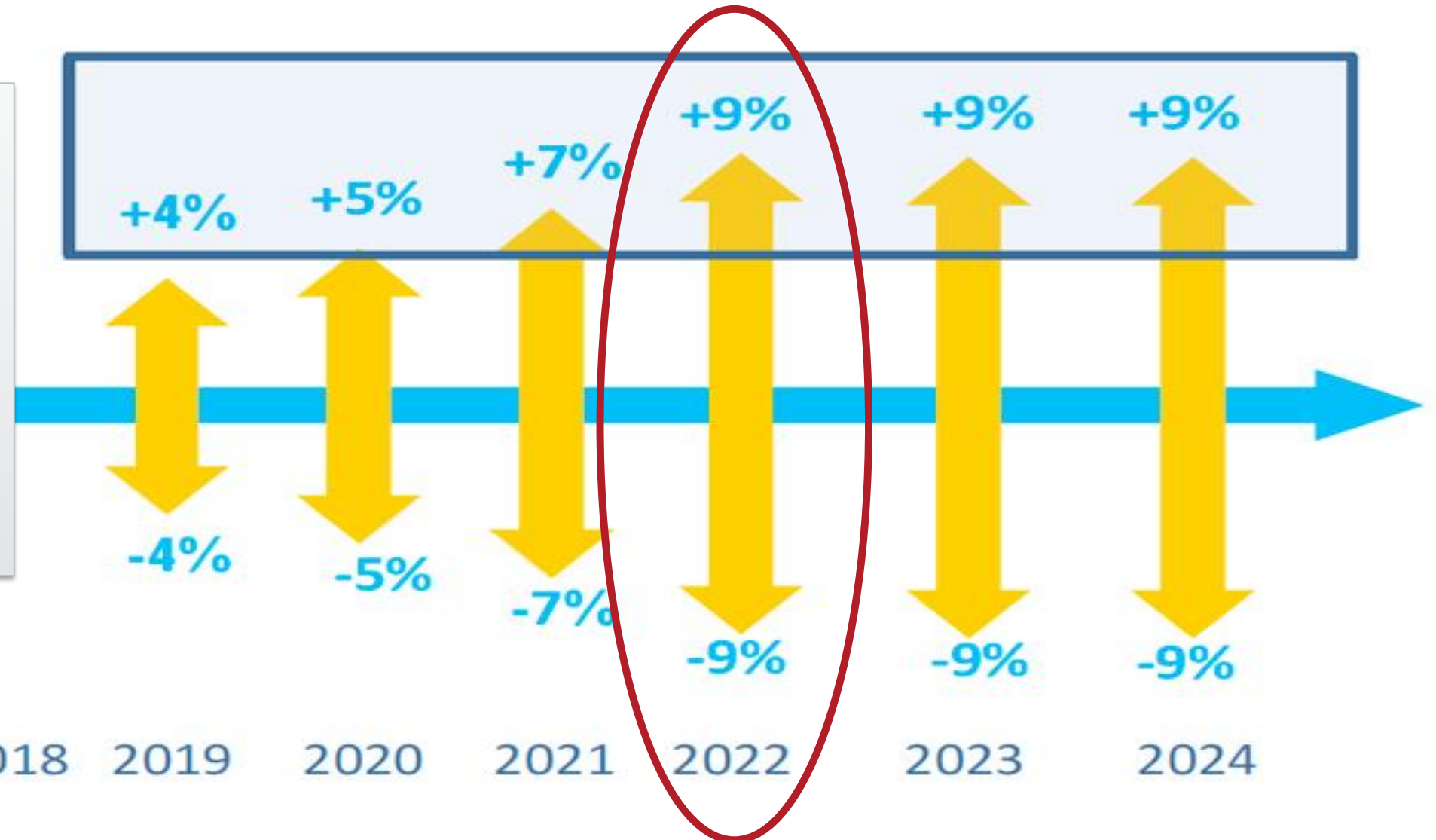
Quality Payment Program Pathways

Two pathways/tracks are offered under the QPP:



Year 4 MIPS Implementation

Performance Year 2020:
The CMS increased the Performance Threshold to **45 points**, and the Exceptional Performance Bonus Threshold to **85 points**

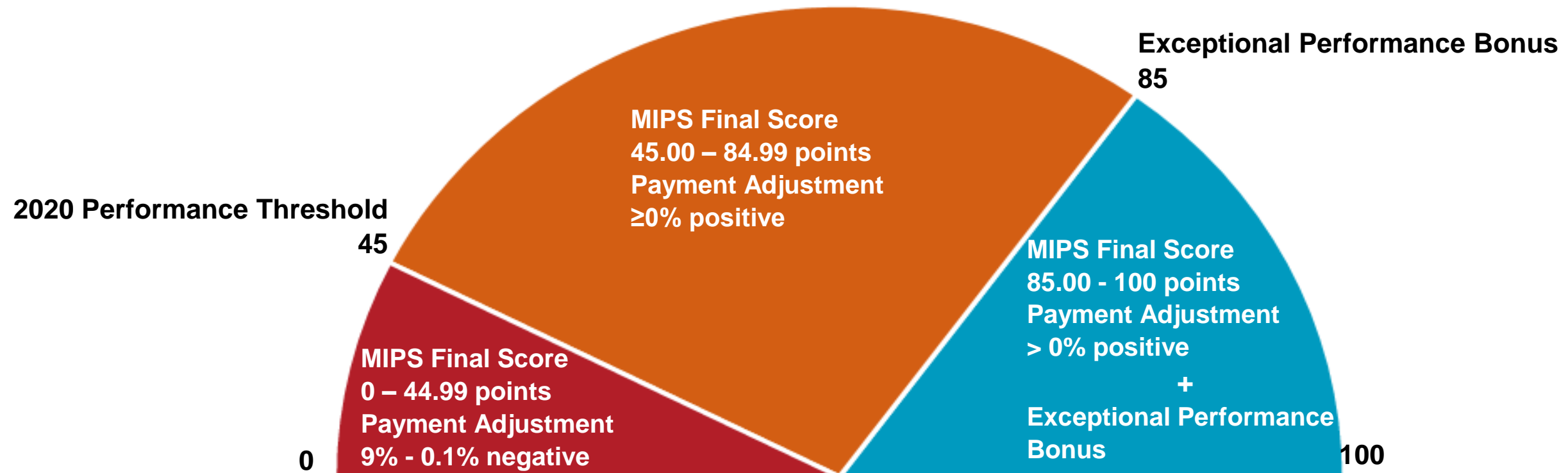


Payment Year 2017 2018 2019 2020 2021 2022 2023 2024

2021 Performance Threshold	60 Points
2021 Exceptional Performance Threshold	85 Points



Final 2020 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 70% and your **Cost** category score will be 15% of your overall MIPS score.**

Final 2020 MIPS Requirements for Pathologists

Performance Category	Minimum Performance Period
 <p>Quality</p>	<ul style="list-style-type: none">• Score out of 60 points• 6 measures for 12 months; 70% data completeness• Measures can be submitted via multiple mechanisms• Medicare Part B Claims Submission only available to small practices• Small practice bonus added to Quality score
 <p>Improvement Activities</p>	<ul style="list-style-type: none">• Score out of 40 points• Attest to 2 medium-weighted or 1 high-weighted• 90 days reporting• Group participation threshold increased from a single clinician in a group performing an IA to 50% of clinicians in a group performing the IA that the group is attesting to

2020 Final Pathology Quality Measures Set

The CAP successfully protected Pathology reporting measures for 2020

Measures Finalized for 2020 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

2020 MIPS Quality Measure Scoring:

Submit a representative sample that is a minimum of 70% of all eligible cases

- **Measure value**

Max Points	Measure
10	With benchmark
7	Topped-out
3	Without benchmark

- **Submitting below 20 case minimum**

Points	Practice Size
3	Large Practice (16+ pathologists)
3	Small practice (≤ 15 pathologists)

- **Submitting less than 70% data completeness**

Points	Practice Size
0	Large Practice (16+ pathologists)
3	Small practice (≤ 15 pathologists)

Signaling Future Changes with MIPS Value Pathways (MVPs)

- For 2021 MIPS to align and connect MIPS categories

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

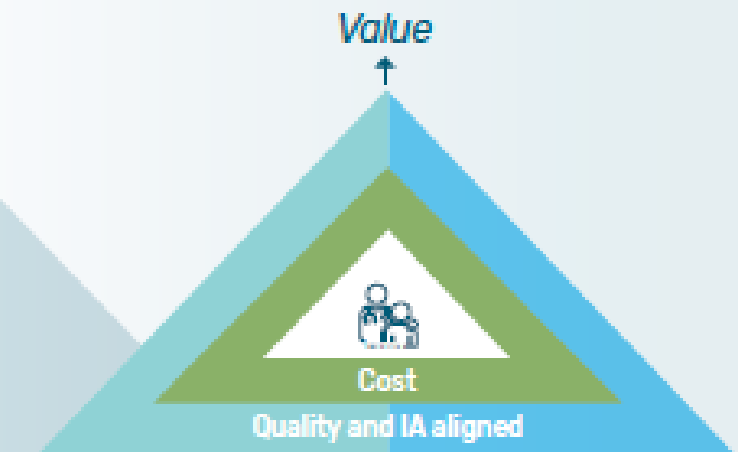


Foundation

Promoting Interoperability
Population Health Measures

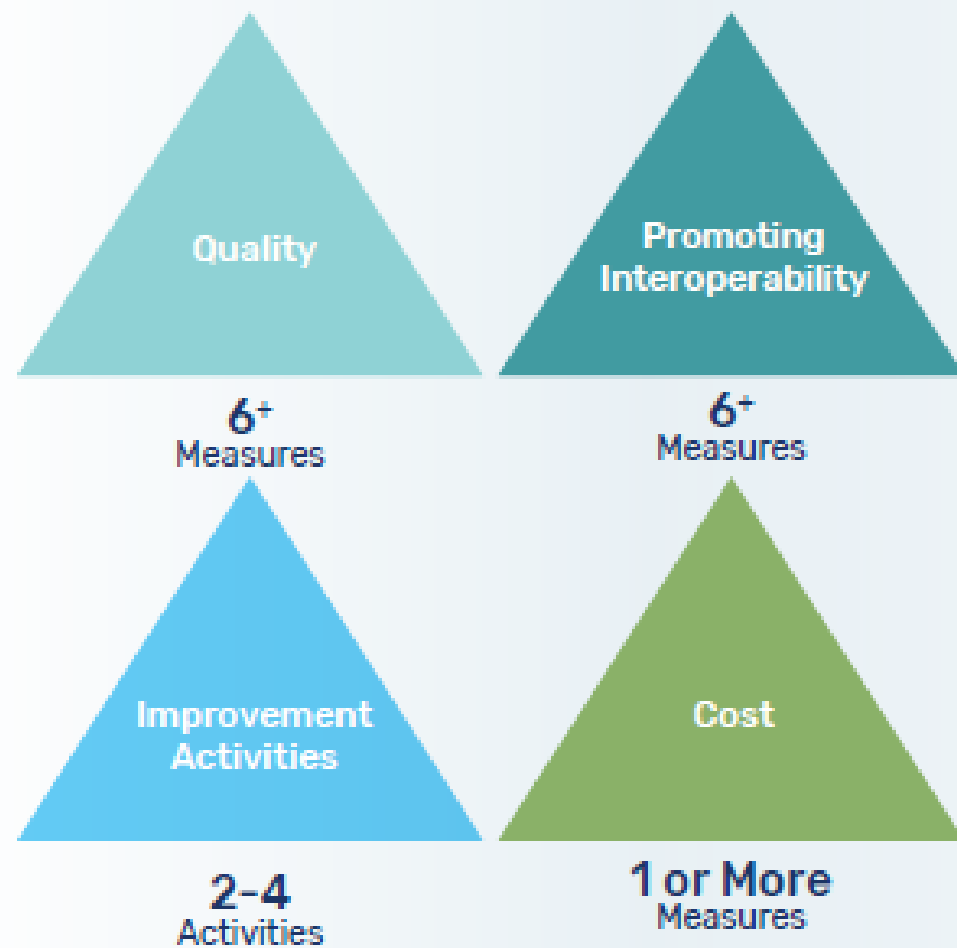
Fully Implemented Pathways

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



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



Final 2020 Alternative Payment Model (APM) Updates

- **The final 2020 QPP rule makes adjustments to Advanced APM track**
 - **Expected expenditures – financial risk**
 - **Partial Qualifying Participant (QP) determination**
 - **QP Performance Year and termination of Advanced APM**

Before we take questions ...

MIPS Educational Webinar Series

Webinars

- **Visit [cap.org/advocacy](https://www.cap.org/advocacy) for MIPS tools and resources**
 - **Making Sense of CMS's Quality Payment Program (Video)**
 - **MIPS Checklist for Pathologists**
 - **MIPS FAQs**
 - **MIPS Financial Impact Calculator**
 - **MIPS Webinar Series**
 - **Pathology-specific Quality Measures**
 - **2019 Improvement Activities for Pathologists**

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

Save the Date- Pathologists Leadership Summit



- **Pathologists Leadership Summit**
Grand Hyatt Washington
1000 H St. NW, Washington, DC,
20001
May 2–5, 2020
Travel details will be available when registration opens.

**Help Effect
Change
Pathologists
Leadership
Summit**

May 2–5, 2020



Questions



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