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What Do the Updated Medicare Payment Policies Mean for You?

Announcer:
Welcome to Inside Medicare's New Payment System on ReachMD, sponsored by the American Medical Association.

Dr. Birnholz:
There's been a lot of buzz surrounding the proposed changes to the Medicare payment policies, and now that those updated policies have officially rolled out, it's time to take a look at what these changes actually mean and how they'll impact physicians across the country.

This is Inside Medicare's New Payment System, and I'm Dr. Matt Birnholz. Here with me today is Dr. Barbara McAneny, President of the American Medical Association, to walk us through these updates.

Dr. McAneny, welcome to the program.

Dr. McAneny:
Thank you very much for giving me this opportunity.

Dr. Birnholz:
Now, both the Medicare Physician Fee Schedule and Quality Payment Program rules for 2019 were recently finalized. So, to start us off, what do physicians need to know about the final rule?

Dr. McAneny:
There were several victories for physicians in the 2019 Medicare Physician Payment Fee Schedule final rule, particularly when it comes to payment for evaluation or management, which I'll refer to as E & M codes, E & M services. Other important policies in the final rule will expand Medicare patients' access to digital medicine and continue the gradual implementation of the Quality Payment Program.

Dr. Birnholz:
And just to follow up on that point about E & M services, can you walk us through what was finalized?

Dr. McAneny:
Absolutely. The Center for Medicare and Medicaid Services, or CMS, which is the Federal Government agency that runs the Medicare program, made 3 final decisions that were supported by the AMA. First, CMS took steps that will immediately reduce the documentation burden for physicians. CMS followed the suggestions made by the AMA and 170 other medical groups in a letter that was sent to CMS Administrator Seema Verma. Starting January 1, physicians will not have to re-document elements of a patient's medical history and physical exam. Instead, the documentation will focus on the patient's medical history during the interval since the previous visit. Also gone is a requirement that physicians re-document information already recorded by their office staff or by the patient. In addition, CMS eliminated the requirement to document the medical necessity of furnishing a home visit rather than an office visit. These changes are significant because physicians face excessive documentation requirements in their practices. It is a relief to see that the administration not only understands the problems of regulatory burden but is taking concrete steps to address it.

Second, CMS postponed all payment changes to E & M services until 2021. CMS had proposed to collapse the payment rates for 4 E & M, evaluation and management, office visit services into a single blended rate. The AMA and specialty societies strongly advised CMS that the proposal could create unintended consequences for specialties that treat the sickest patients and for physicians who provide comprehensive primary care. So, between now and 2021, CMS said it will consider recommendation from the AMA convened E & M work group, which is made up of 12 experts in coding and valuation, who have received input from hundreds of stakeholders through

calls and surveys. CMS staff has attended several of the work group meetings and calls as well.

Third, CMS dropped its proposal that would have cut payments when a physician provides an office visit and a procedure for the patient on the same day. The AMA strongly opposed this proposal as flawed and duplicative of work already undertaken to make sure that there are no redundant resource costs embedded in procedure codes that are usually performed with E & M services.

Dr. Birnholz:
And, Dr. McAneny, you also touched upon the expansion of patient access to digital medicine, so I want to focus on that for a moment. What kinds of virtual services did CMS move to cover?

Dr. McAneny:
CMS really embraced digital medicine in the 2019 Physician Fee Schedule. CMS will now cover new remote patient monitoring of physiologic readings for patients with chronic conditions. For established patients, the agency will also cover virtual check-ins to triage care and patient-submitted images or video to evaluate, diagnose and treat. We are extremely pleased that CMS has also established separate payment for interprofessional internet consultations, which provides patients increased access to specialty care through their treating physicians and improves care coordination.

CMS also lifted restrictions for certain telehealth services, such as monthly home dialysis evaluation and management as well as telestroke access in the field, which brings us closer to ensuring care during those critical golden hours that can so impact a patient's quality of life after a stroke. The final rule also makes telehealth changes that will help physicians fight the opioid crisis. Following a recently enacted law that was strongly supported by the AMA, CMS is removing the rural requirements and adding the patient's home as a permissible site for telehealth services furnished to treat substance use disorders or co-occurring mental health disorders. This change is effective beginning July 1, 2019.

Dr. Birnholz:
And another significant aspect of the final rule is the updated participation requirements for the Quality Payment Program for 2019. So, what can you tell us about that?

Dr. McAneny:
CMS continues to gradually increase the requirements for participation in the Merit-based Incentive Payment System, known as MIPS. The agency kept fewer reporting requirements for small practices. CMS also overhauled the promoting interoperability category, which was formally known as Advancing Care Information. Specifically, CMS moved away from the pass/fail scoring system and eliminated many of the EHR measures, including ones that were outside the physician's control, such as whether or not a patient viewed their records. The agency also created an opt-in option for physicians who fall below the low-volume threshold. If these physicians choose to participate in MIPS, they can earn an incentive payment or potentially receive a penalty.

Looking at the Alternative Payment Model track of the Quality Payment Program, we were pleased CMS agreed not to increase the financial risk requirement for these models for at least the next 6 years. Additionally, in response to AMA advocacy aimed at helping physicians who practice in areas with an above-average proportion of patients in Medicare Advantage plans, CMS waived MIPS reporting and payment adjustments for physicians participating in Medicare Advantage Alternative Payment Models.

Dr. Birnholz:
For those just tuning in, you're listening to Inside Medicare's New Payment System on ReachMD. I'm Dr. Matt Birnholz, and today I'm speaking with Dr. Barbara McAneny, President of the AMA, about the recent changes to the 2019 Medicare physician payment policies.

So, Dr. McAneny, earlier you explained how these changes are going to impact physicians, but now I want to switch gears a bit and discuss the AMA's position towards some of these policies. Were there any concerns that came up regarding the changes to physician fee schedules?

Dr. McAneny:
We were disappointed that CMS finalized its proposal to reduce add-on payments for new Part B drugs from 6% to 3% before sequestration until the drug has sufficient data to move to reimbursement based on average sales price. Average sales price can typically be determined after the first quarter the drug is on the market. The AMA remains concerned that this change will limit the use of these drugs in physician offices and hinder Medicare patients' access to new and innovative therapies that are more effective and less debilitating than existing drugs.

Dr. Birnholz:
And just continuing on that line, what other issues is the AMA targeting for improvement?

Dr. McAneny:

One of our advocacy priorities is regulatory relief and administrative simplification, and we know that more can be done to simplify MIPS reporting. We are also strongly advocating for changes that will make the program more clinically relevant. Physicians feel as though the program is adding to their burden without improving care. Since MACRA passed, we have made a concerted effort not to just complain about QPP issues but to offer solutions. The AMA has offered and provided suggestions to CMS on how to make the program simpler and more meaningful through altering the program to focus on clinical topics that allow physicians to target a certain disease, condition or public health priority and earn credit across the 4 categories of MIPS. For example, CMS could allow physicians to focus on targeting prediabetes and receive credit across categories through the reporting on measures that correlate with that clinical topic.

We recognize that changing the scoring structure of MIPS is a heavy lift and requires significant change, but the change is necessary to allow physicians to focus on activities that fit within their workflow and address their patient population needs. It should also increase participation and relevancy of MIPS and drive participation and improvement. A patient will also be more easily able to evaluate a physician in relation to how well they treat a specific disease or condition.

Dr. Birnholz:
Dr. McAneny, my last question for you then: Where can our listeners get more information about these updated physician payment policies?

Dr. McAneny:
The AMA has a number of resources on the QPP and Medicare Physician Fee Schedule including a more detailed summary of the 2019 changes. They are available at www.ama-assn.org/medicare-payment, with a hyphen. You can also listen and subscribe to other AMA podcasts at www.ama-assn.org/podcasts.

Dr. Birnholz:
Well, this has been a really helpful discussion in helping guide us through the 2019 updates to the Medicare Physician Fee Schedule. I want to thank my guest, AMA President Dr. Barbara McAneny, for joining me today. Dr. McAneny, it was great having you on the program.

Dr. McAneny:
It was great to be here, and I hope this is helpful for physicians who are trying to do their best to comply with the new 2019 fee schedule.

Dr. Birnholz:
I'm Dr. Matt Birnholz. To access this and other episodes in the series, visit us at ReachMD.com/AMA. We welcome your comments and feedback, and thanks for joining us.

Announcer:
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