



# **Brachytherapy Payment Policy in the 2016 Hospital Outpatient Final Rule**

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**Chair, ABS Socioeconomic Committee**

# Impacted CPT Codes

- **77770** Remote afterloading high dose rate radionuclide interstitial or intracavitary brachytherapy, includes basic dosimetry, when performed; 1 channel
- **77771** Remote afterloading high dose rate radionuclide interstitial or intracavitary brachytherapy, includes basic dosimetry, when performed; 2-12 channels
- **77772** Remote afterloading high dose rate radionuclide interstitial or intracavitary brachytherapy, includes basic dosimetry, when performed; over 12 channels

## APC Affected

- 5624 Level 4 Radiation Therapy
  - 77605 Hyperthermia
  - 77763 LDR Brachytherapy
  - 77770\* HDR Brachytherapy
  - 77771\* HDR Brachytherapy
  - 77772\* HDR Brachytherapy
  - 77778 LDR Brachytherapy
  - 0395T HDR Brachytherapy

\*Affected CPT codes

# Issue

- Beginning in 2016, HDR Brachytherapy codes 77770, 77771 and 77772 **bundle a basic dosimetry calculation** described by CPT 77300
  - CPT 77300 is separately payable with other services
- CPT 77770, 77771 and 77772 are based on predecessor codes 77785, 77786 and 77787, respectively
- CPT 77300 is on the Bypass List
- CMS did not include the costs associated with bypass code 77300 when calculating the geometric mean cost of the HDR Brachytherapy codes in APC 5624.
  - CMS removes bypass codes from the claims first, so when calculating the single-procedure claims cost, those lines aren't on the claims

# APC Payments

2016 CPT Code Code	2015 CPT Code Code	2015 Payment	2016 Payment	2015-2016 2016 Payment Change	2015-2016 Percentage e Change
77770	77785	\$729.68	\$696.21	(\$33.47) )	-4.6%
77771	77786	\$729.68	\$696.21	(\$33.47) )	-4.6%
77772	77787	\$729.68	\$696.21	(\$33.47) )	-4.6%
77300	77300	\$113.17	\$107.40	(\$5.77)	-5.1%

**2016 HOPPS payments decrease for all Brachytherapy treatment delivery codes, which now include additional costs of packaged procedures**

# 2016 Data Analysis

- Proposed rule data analysis provided by Christopher Hogan, PhD, Direct Research LLC
- Analysis specific to HDR Brachytherapy codes 7778C, 7778D and 7778E assigned to APC 5641 *Brachytherapy*
- New codes based on previous HDR Brachytherapy codes 77785, 77786 and 77787
- Recommended methodology is to treat the HDR Brachytherapy codes (i.e., 77785, 77786 and 77787 in 2014) as a “composite code” with CPT 77300 when they are provided on the same outpatient claim
  - Not requesting a new composite APC
- CMS could calculate the geometric mean cost of the “composite codes” and recalculate the APC payment

# 2016 Data Analysis

- Methodology allows CMS to treat a combination of one HDR brachytherapy treatment unit plus one unit of 77300 as one payable code, then processing it as a single-procedure claim
- Methodology ensures that the cost of the basic radiation dosimetry calculation is included in the payment for APC 5641 *Brachytherapy* (now APC 5624 *Level 4 Radiation Therapy*).
- We estimate that the payment would increase by approx. \$75.00, which is less than the 2016 payment of \$107.40 for CPT 77300 assigned to APC 5611 *Level 1 Therapeutic Radiation Treatment Preparation*.

# Recommendation

- Recalculate the geometric mean cost of APC 5624 *Level 4 Radiation Therapy*
- Use the suggested “composite code” methodology to include the cost of CPT 77300 Basic dosimetry calculation in HDR Brachytherapy codes 77770, 77771 and 77772



# Rationale

- CMS erroneously calculated the rate for 77770, 77771 and 77772, likely because of this unique event of a bypass code, being packaged into these three codes, but still being paid separately elsewhere
- In the normal course of processing for "single procedure" claims, that line would have been dropped before CMS calculated the cost of the brachytherapy codes, and uniquely, for the 2016 and 2017 rules, that would be wrong
- The decision to base reimbursement on only a portion of the predecessor code data is incongruous to the RUC efforts to bundle codes and CMS trend for increased packaging and bundling under HOPPS

# Potential Consequences

- CMS' position to base reimbursement rates on predecessor code APC assignments until claims data is available for new codes results in a minimum of 2 years of inaccurate payment and reductions to brachytherapy reimbursement
- Since 77300 is a Bypass code those costs will never be captured in 2018 or beyond unless CMS uses the “composite code” methodology to capture the costs of basic dosimetry calculation now included in the HDR Brachytherapy codes 77770, 77771 and 77772
- Inappropriate HOPPS reimbursement could lead to decreased utilization of HDR Brachytherapy in the hospital outpatient setting