IPPS and LTCH PPS: FY 2021 Proposed Rule

On May 11, the Trump Administration proposed changes for acute care and long term care hospitals that build on the progress made over the last three years and further the agency’s priority to transform the health care delivery system through competition and innovation while providing patients with better value and results. The proposed rule would update Medicare payment policies for hospitals paid under the Inpatient Prospective Payment System (IPPS) and the Long-Term Care Hospital (LTCH) Prospective Payment System (PPS) for FY 2021.

“The Trump Administration has provided extensive flexibility to help hospitals meet the needs of their communities during the COVID-19 pandemic. The CMS Hospital Without Walls initiative empowers local hospitals and health care systems to expand their physical spaces, telehealth capabilities and staff to care for people with Coronavirus,” said CMS Administrator Seema Verma. “Today’s payment rate announcement focuses on what matters most to help hospitals conduct their business and receive stable and consistent payment.”

CMS is proposing a separate new hospital payment category for Chimeric Antigen Receptor (CAR) T-cell therapy. CAR-T is the first-ever gene therapy, and uses a patient’s own genetically modified immune cells to treat people with certain types of cancer, instead of additional chemotherapy or other types of treatment paid for under the IPPS. Currently, CAR-T hospital cases are paid at the same rate as bone marrow transplants and qualify for additional payments through the temporary new technology add-on payment for high cost cases that’s set to expire this year. The new inpatient hospital payment category, or the Medicare Severity Diagnostic
Related Group, for CAR-T will provide a predictable payment rate for hospitals administering the therapy. This is another example of CMS’s commitment to ensuring that beneficiaries have access to the latest medical innovation and to removing barriers to medical innovation across our health care system.

This rule includes proposals to remove barriers to new antimicrobials, which are antibiotics to treat drug-resistant infections. Medicare beneficiaries account for the majority of new diagnoses and resulting deaths due to drug-resistant infections, which also remains a public health concern. To support access to these critical antibiotics for Medicare beneficiaries, CMS is proposing changes for the New Technology Add-on Payment (NTAP) which is an additional payment to hospitals for cases using eligible high cost technologies. CMS is proposing that drugs that are approved by the Food and Drug Administration (FDA) under the Limited Population Pathway for Antibacterial and Antifungal Drugs pathway can seek an NTAP through an alternative NTAP pathway for certain antimicrobial products, which is the same streamlined pathway we made available last year for drugs designated by the FDA as Qualified Infectious Disease Products. This provides more predictability for these products with respect to new technology add-on payments.

CMS is proposing to collect a summary of certain data already required to be disclosed by CMS’ 2019 price transparency rule, specifically hospitals’ median payer-specific negotiated inpatient services charges for Medicare Advantage organizations and third party payers. In addition, the agency is requesting information regarding the potential use of these data to set relative Medicare payment rates for hospital procedures. These provisions advance the mandates in President’s Executive Orders on Promoting Healthcare Choice and Competition Across the United States, Executive Order on Improving Price and Quality Transparency in American Healthcare to Put Patients First, and Protecting and Improving Medicare for Our Nation’s Seniors.

CMS is taking action to protect the health and safety of our nation’s patients and providers in the wake of the COVID-19 outbreak. Following President Trump’s declaration of a national emergency, CMS has announced aggressive actions and regulatory flexibilities to help health care providers and states respond to and contain the spread of COVID-19. To keep up with the important work the Task Force is doing in response to COVID-19, go to Coronavirus.gov. For information specific to CMS, please visit the Current Emergencies website.

For More Information:
- Fact Sheet
- Proposed Rule

Medicare FFS 2nd Level Appeals: Submission Options

Learn about communication options available to submit your 2nd level Medicare Fee-For-Service (FFS) claim appeals (i.e., requests for reconsiderations) and documentation to the Qualified Independent Contractors (QICs). Visit the Original Medicare (Fee-for-service) Appeals website to access information on QIC jurisdictions, websites, and options for submission.

Events

COVID-19: Office Hours Call — May 14
Thursday, May 14 from 5 to 6 pm ET

Hospitals, health systems, and providers: Ask CMS questions about our temporary actions that empower you to:
- Increase hospital capacity – CMS Hospitals Without Walls
- Rapidly expand the health care workforce
- Put patients over paperwork
- Promote telehealth

To Participate:
- Conference lines are limited, so we encourage you to join via audio webcast, either on your computer or smartphone web browser
COVID-19: Lessons from the Front Lines Call — May 15
Friday, May 15 from 12:30 to 2 pm ET

These weekly calls are a joint effort between CMS Administrator Seema Verma, Food and Drug Administration Commissioner Stephen Hahn, MD, and the White House Coronavirus Task Force. Physicians and other clinicians: Share your experience, ideas, strategies, and insights related to your COVID-19 response. There is an opportunity to ask questions.

To Participate:
- Conference lines are limited, so we encourage you to join via audio webcast, either on your computer or smartphone web browser
- Or, call 877-251-0301; Access Code: 8983296

MLN Matters® Articles

Medicare Clarifies Recognition of Interstate License Compacts

A new MLN Matters Special Edition Article SE20008 on Medicare Clarifies Recognition of Interstate License Compacts is available. Learn about recognition of interstate license compacts as valid and full licenses.

Extension of Payment for Section 3712 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

A new MLN Matters Article MM11784 on Extension of Payment for Section 3712 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) is available. Learn about implementation of the new April 2020 Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) fee schedule amounts.

International Classification of Diseases, 10th Revision (ICD-10) and Other Coding Revisions to National Coverage Determination (NCDs)—October 2020 Update

A new MLN Matters Article MM11749 on International Classification of Diseases, 10th Revision (ICD-10) and Other Coding Revisions to National Coverage Determination (NCDs)—October 2020 Update is available. Learn about updated ICD-10 conversions and codes.
Updates to Skilled Nursing Facility (SNF) Patient Driven Payment Model (PDPM) to Correct the Adjustment Process

A new MLN Matters Article MM11727 on Updates to Skilled Nursing Facility (SNF) Patient Driven Payment Model (PDPM) to Correct the Adjustment Process is available. Learn about corrections to processing of adjustments and other billing issues for SNF PDPM claims.

Quarterly Update to the Medicare Physician Fee Schedule Database (MPFSDB) - April 2020 Update — Revised

A revised MLN Matters Article MM11661 on Quarterly Update to the Medicare Physician Fee Schedule Database (MPFSDB) - April 2020 Update is available. Learn about revised relative value units for codes 99441, 99442, and 99443 and additional information for codes G2025 and G0071.

Publications

How to Use the Medicare Coverage Database — Revised

A revised How to Use The Medicare Coverage Database Medicare Learning Network Booklet is available. Learn how to:

- Navigate the database
- Search indexes
- Download reports

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