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SPECIAL EDITION

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News

- CMS and CDC Announce Provider Reimbursement Available for Counseling Patients to Self-Isolate at Time of COVID-19 Testing
- CMS Announces New Hospital Procedure Codes for Therapeutics in Response to the COVID-19 Public Health Emergency
- Trump Administration Continues to Keep Out-of-Pocket Drug Costs Low for Seniors

News

CMS and CDC Announce Provider Reimbursement Available for Counseling Patients to Self-Isolate at Time of COVID-19 Testing

On July 30, CMS and the Centers for Disease Control and Prevention (CDC) are announcing that payment is available to physicians and health care providers to counsel patients, at the time of Coronavirus Disease 2019 (COVID-19) testing, about the importance of self-isolation after they are tested and prior to the onset of symptoms.

The transmission of COVID-19 occurs from both symptomatic, pre-symptomatic, and asymptomatic individuals emphasizing the importance of education on self-isolation as the spread of the virus can be reduced significantly by having patients isolated earlier, while waiting for test results or symptom onset. The CDC models show that when individuals who are tested for the virus are separated from others and placed in quarantine, there can be up to an 86 percent reduction in the transmission of the virus compared to a 40 percent decrease in viral transmission if the person isolates after symptoms arise.

Provider counseling to patients, at the time of their COVID-19 testing, will include the discussion of immediate need for isolation, even before results are available, the importance to inform their immediate household that they too should be tested for COVID-19, and the review of signs and symptoms and services available to them to aid in isolating at home. In addition, they will be counseled that if they test positive, to wear a mask at all times, and they will be contacted by public health authorities and asked to provide information for contact tracing and to tell their immediate household and recent contacts in case it is appropriate for these individuals to be tested for the virus and to self-isolate as well.

CMS will use existing evaluation and management payment codes to reimburse providers who are eligible to bill CMS for counseling services no matter where a test is administered, including doctor's offices, urgent care clinics, hospitals, and community drive-thru or pharmacy testing sites.

For More Information:

- [Medicare Fee-For-Service \(FFS\) Response to the Public Health Emergency on the Coronavirus \(COVID-19\) MLN Matters Special Edition Article SE20011](#)
- [Counseling Check List](#), including resource links

CMS Announces New Hospital Procedure Codes for Therapeutics in Response to the COVID-19 Public Health Emergency

With the emergence of Coronavirus Disease 2019 (COVID-19) and the new treatments that have followed, it is critical to be able to track the use of these treatments and their effectiveness in real-time. CMS responded to this need, and in record time is implementing new procedure codes to allow Medicare and other insurers to identify the use of the therapeutics remdesivir and convalescent plasma for treating hospital in-patients with COVID-19. These new codes, which go into effect August 1, will enable CMS to conduct real-time surveillance and obtain real-world evidence in how these drugs are working and provide critical information on their effectiveness and how they can protect patients. These codes can be reported to Medicare and other insurers may also use the codes to identify the use of COVID-19 therapies and help facilitate monitoring and data collection on their use.

These new codes are being implemented into the International Classification of Diseases, Tenth Revision, Procedure Coding System (ICD-10-PCS). ICD-10-PCS is the Health Insurance Portability and Accountability Act (HIPAA) designated code set for reporting hospital inpatient procedures, which is developed and maintained by CMS and can be used by other health insurers.

The implementation of these new procedure codes is part of the Trump Administration's ongoing efforts to protect the health and safety of COVID-19 patients across the country during the public health emergency.

For more information, see [ICD-10 MS-DRGs Version 37.2 Effective August 1](#).

Trump Administration Continues to Keep Out-of-Pocket Drug Costs Low for Seniors

On July 29, CMS announced the average basic premium for Medicare Part D prescription drug plans, which cover prescription drugs that beneficiaries pick up at a pharmacy. Under the leadership of President Trump, for the first time seniors that use insulin will be able to choose a prescription drug plan in their area that offers a broad set of insulins for no more than \$35 per month per prescription.

The average basic Part D premium will be \$30.50 in 2021. The 2021 and 2020 average basic premiums are the second lowest and lowest, respectively, average basic premiums in Part D since 2013. This trend of lower Part D premiums, which have decreased by 12 percent since 2017, means that beneficiaries have saved nearly \$1.9 billion in premium costs over that time. Further, Part D continues to be an extremely popular program, with enrollment increasing by 16.7 percent since 2017.

“At every turn, the Trump Administration has prioritized policies that introduce choice and competition in Part D,” said CMS Administrator Seema Verma. “The result is lower prices for life-saving drugs like insulin, which will be available to Medicare beneficiaries at this fall's Open Enrollment for no more than \$35 a month. In short, Part D premiums continue to stay at their lowest levels in years even as beneficiaries enjoy a more robust set of options from which to choose a plan that meets their needs.”

In addition to the \$1.9 billion in premium savings for beneficiaries since 2017, the Trump Administration has produced substantial Part D program savings for taxpayers. With about 200 additional standalone prescription drug plans and 1,500 additional Medicare Advantage plans with prescription drug coverage joining the program between 2017 and 2020, and that trend expected to continue in 2021, increased market competition has led to lower costs and lower Medicare premium subsidies, which has saved taxpayers approximately \$8.5 billion over the past four years.

Earlier this year, CMS launched the Part D Senior Savings Model, which will allow Medicare beneficiaries to choose a plan that provides access to a broad set of insulins at a maximum \$35 copay for a month's supply. Starting January 1, 2021, beneficiaries who select these plans will save, on average, \$446 per year, or 66 percent, on their out-of-pocket costs for insulin. Beneficiaries will be able to choose from more than 1,600 participating standalone Medicare Part D prescription drug plans and Medicare Advantage plans with prescription drug coverage, all across the country this open enrollment period, which runs from October 15 through December 7. And because the majority of participating Medicare Advantage plans with prescription

drug coverage do not charge a Part D premium, beneficiaries who enroll in those plans will save on insulin and not pay any extra premiums.

In January 2020, CMS, through the Part D Payment Modernization Model, offered an innovative new opportunity for Part D plan sponsors to lower costs for beneficiaries, while improving care quality. Under this model, Part D sponsors can better manage prescription drug costs through all phases of the Part D benefit, including the catastrophic phase. Through the use of better tools and program flexibilities, sponsors are better able to negotiate on high cost drugs and design plans that increase access and lower out-of-pocket costs for beneficiaries. For CY 2021, there will be nine plan options in Utah, New Mexico, Idaho and Pennsylvania that participate in this model.

In Medicare Part D, beneficiaries choose the prescription drug plan that best meets their needs, and plans have to improve quality and lower costs to attract beneficiaries. This competitive dynamic sets up clear incentives that drive towards value. CMS has taken steps to modernize the Part D program by providing beneficiaries the opportunity to choose among plans with greater negotiating tools that have been developed in the private market and by providing patients with more transparency on drug prices. Improvements to the Medicare Part D program that CMS has made to date include:

- Beginning in 2021, providing more information on out-of-pocket costs for prescription drugs to beneficiaries by requiring Part D plans to provide a real time benefit tool to clinicians with information that they can discuss with patients on out-of-pocket drug costs at the time a prescription is written
- Implementing Part D legislation signed by President Trump to prohibit “gag clauses,” which keep pharmacists from telling patients about lower-cost ways to obtain prescription drugs
- Beginning in 2021, requiring the Explanation of Benefits document that Part D beneficiaries receive each month to include information on drug price increases and lower-cost therapeutic alternatives
- Providing beneficiaries with more drug choices and empowering beneficiaries to select a plan that meets their needs by allowing plans to cover different prescription drugs for different indications, an approach used in the private sector
- Reducing the maximum amount that low-income beneficiaries pay for certain innovative medicines known as “biosimilars,” which will lower the out-of-pocket cost of these innovative medicines for these beneficiaries
- Empowering Medicare Advantage to negotiate lower costs for physician-administered prescription drugs for seniors for the first time, as well allowing Part D plans to substitute certain generic drugs on plan formularies more quickly during the year, so beneficiaries immediately have access to the generic, which typically has lower cost sharing than the brand
- Increasing competition among plans by removing the requirement that certain Part D plans have to “meaningfully differ” from each other, making more plan options available for beneficiaries

For More Information:

- [Part D Senior Savings Model](#) webpage
- [Ratebooks & Supporting Data](#) webpage: View the 2021 Part D base beneficiary premium, the Part D national average monthly bid amount, the Part D regional low-income premium subsidy amounts, the de minimis amount, the Medicare Advantage employer group waiver plan regional payment rates, and the Medicare Advantage regional PPO benchmarks

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