

# Advisory Panel Meeting on Hospital Outpatient Payment

August 25, 2025

**Maria Breitenfeldt**  
Senior Director,  
Health Economics & Reimbursement

**Pulmonx Corporation**  
Redwood City, CA



# Background and APC Reassignment Request for CPT 31647

---

## Background

- Endobronchial Valves are implantable valves indicated for the bronchoscopic treatment of adult patients with hyperinflation associated with severe emphysema. Endobronchial valves are intended to occlude airways of a hyperinflated lobe of the lung that is diseased with emphysema.
- CPT code 31647 is used to report the procedure of placing endobronchial valves:
  - Bronchoscopy, rigid or flexible, including fluoroscopic guidance, when performed; with balloon occlusion, when performed, assessment of air leak, airway sizing, and insertion of bronchial valve(s), initial lobe.

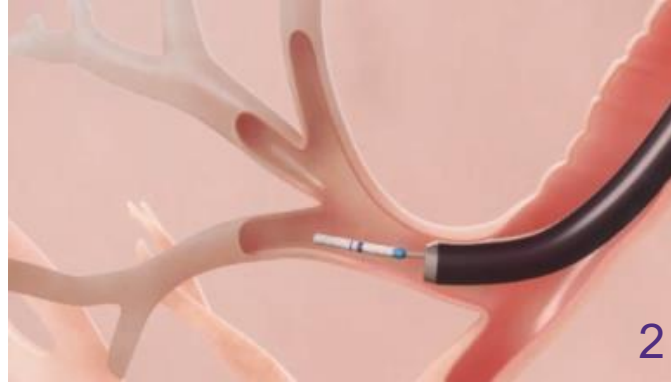
## APC Reassignment Request

- Given that for years the geometric mean costs for this code significantly exceeded the geometric mean costs of APC 5155 in which it is placed, this code should be reassigned to a different APC.
  - APC 1575 would be an appropriate new technology APC for the service.

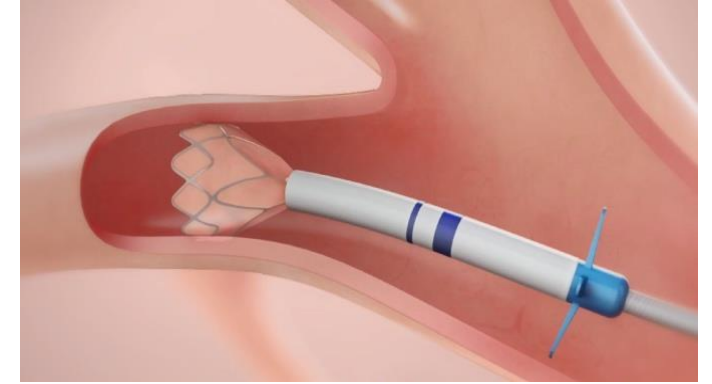
# How Zephyr® Valves Work



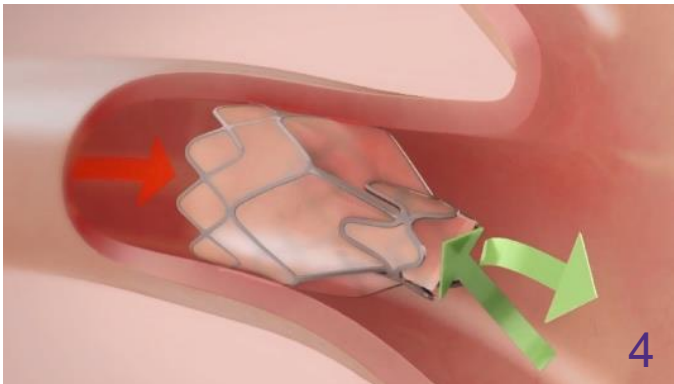
Bronchoscope introduced into lungs of patient with diseased, hyperinflated lobe



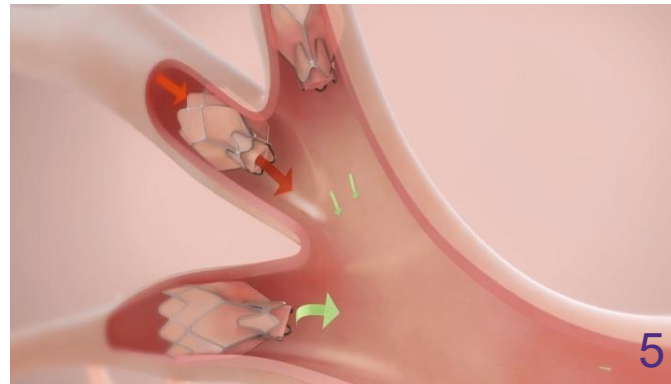
Delivery catheter advanced into target lobe through bronchoscope



Valve size chosen in one-step procedure and delivered to seal target airway



**Zephyr Valve** allows trapped air to escape but not to re-enter



Typically 4–5 **Zephyr® Valves** delivered to fully occlude diseased lobe



Hyperinflation in target lobe is reduced, improving lung function and breathlessness

# From 2026 NPRM CPT Cost Stats

			Proposed Costs for Hospital Outpatient Services, by HCPCS code for CY 2026								Deleted Code Used in APC Costs
HCPCS	SI	APC	Payment Rate	Single Frequency	Total Frequency	Minimum Cost	Maximum Cost	Median Cost	Geometric Mean Cost	CV	
31634	J1	5155O	\$7,268.62	76	76	\$612.37	\$20,256.28	\$3,565.76	\$3,914.55	76.934	
31546	J1	5155O	\$7,268.62	6	6	\$2,362.33	\$7,818.49	\$4,068.16	\$3,952.24	48.066	
31267	J1	5155O	\$7,268.62	1438	1451	\$1,164.70	\$22,276.67	\$5,043.54	\$5,094.80	50.170	
31638	J1	5155O	\$7,268.62	101	101	\$987.82	\$28,953.03	\$5,116.63	\$5,335.80	85.386	
31561	J1	5155O	\$7,268.62	86	88	\$2,289.96	\$14,184.85	\$5,289.06	\$5,413.31	41.956	
31287	J1	5155O	\$7,268.62	163	164	\$2,000.54	\$20,991.04	\$5,573.34	\$5,452.54	48.566	
31560	J1	5155O	\$7,268.62	18	18	\$3,148.81	\$9,655.07	\$6,024.54	\$5,695.02	33.984	
31254	J1	5155O	\$7,268.62	1669	1688	\$1,476.66	\$22,227.41	\$5,654.22	\$5,699.79	46.731	
31255	J1	5155O	\$7,268.62	1313	1316	\$1,700.98	\$24,424.22	\$6,005.29	\$6,116.75	49.709	
31288	J1	5155O	\$7,268.62	422	426	\$1,703.95	\$25,028.80	\$6,108.50	\$6,140.31	47.081	
31631	J1	5155O	\$7,268.62	119	120	\$1,137.92	\$19,885.82	\$6,395.72	\$6,216.37	55.743	
3123S	J1	5155O	\$7,268.62	77	80	\$2,645.24	\$15,012.18	\$6,261.58	\$6,465.11	36.250	
31298	J1	5155O	\$7,268.62	49	49	\$2,043.16	\$15,732.06	\$6,492.93	\$6,488.73	49.916	
31257	J1	5155O	\$7,268.62	487	489	\$1,917.01	\$28,551.08	\$6,631.28	\$6,618.40	51.627	
3162R	J1	5155O	\$7,268.62	5058	5070	\$1,304.75	\$34,140.29	\$6,452.44	\$6,619.18	60.823	
31295	J1	5155O	\$7,268.62	28	28	\$2,539.33	\$12,450.78	\$6,640.93	\$6,697.46	31.064	
3165C	J1	5155O	\$7,268.62	143	143	\$1,395.01	\$24,576.24	\$6,500.38	\$6,796.42	59.220	
31297	J1	5155O	\$7,268.62	80	80	\$2,211.54	\$26,836.05	\$7,042.96	\$7,135.62	52.614	
31259	J1	5155O	\$7,268.62	538	542	\$1,764.20	\$30,004.53	\$7,278.96	\$7,358.29	48.304	
31293	J1	5155O	\$7,268.62	7	7	\$3,544.62	\$18,990.58	\$6,276.92	\$7,691.33	61.789	
31253	J1	5155O	\$7,268.62	1515	1526	\$2,017.49	\$32,248.98	\$7,657.13	\$7,697.64	47.209	
3162S	J1	5155O	\$7,268.62	17961	18072	\$1,490.96	\$43,199.39	\$7,392.94	\$7,727.89	62.211	
31276	J1	5155O	\$7,268.62	4096	4128	\$2,128.35	\$36,432.39	\$8,675.28	\$8,618.11	47.429	
31626	J1	5155O	\$7,268.62	2157	2171	\$1,879.41	\$41,191.18	\$8,838.95	\$8,800.77	57.134	
31296	J1	5155O	\$7,268.62	397	399	\$2,341.43	\$33,097.79	\$8,686.69	\$8,901.67	47.258	
31636	J1	5155O	\$7,268.62	353	357	\$2,934.48	\$27,491.59	\$9,453.09	\$9,438.22	40.197	
31661	J1	5155O	\$7,268.62	6	6	\$3,254.34	\$53,143.25	\$8,784.56	\$9,827.82	119.891	
31660	J1	5155O	\$7,268.62	18	18	\$2,352.01	\$53,114.83	\$8,307.58	\$10,362.30	102.972	
31292	J1	5155O	\$7,268.62	26	26	\$4,201.24	\$26,283.20	\$10,160.86	\$10,591.03	41.769	
31647	J1	5155O	\$7,268.62	83	83	\$2,805.51	\$39,151.54	\$10,732.02	\$11,385.22	62.071	
31294	J1	5155O	\$7,268.62	2	2	\$9,395.06	\$15,206.91	\$12,300.99	\$11,952.82	33.409	



# Reassignment request

- Claims data from last 3 years indicates that the geometric mean costs for this procedure (CPT 31647) have been stable and significantly exceeds the geometric mean costs for the APC in which it is placed (5155):

Year (OPPS rule)	CPT 31647 geometric mean costs	APC 5155 geometric mean costs
2024	\$11,824	\$6,703
2025	\$12,167	\$7,006
2026	\$11,385	\$7,382

- CPT code 31647 should be assigned to a different APC than APC 5155 and, with no clinically and resource coherent alternative clinical APC, the service should be assigned to new technology APC 1575
- The Panel should recommend that CMS assign CPT code 31647 to APC 1575