

Proposed Medicare Payment Rate Drops for 2022



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The federal government's proposal for the Medicare Physician Fee Schedule in 2022 features an alarming payment cut of 3.75%. This is a result of the conversion factor shifting from its current rate of \$34.89 to a proposed \$33.58 based on the budget neutrality required by law. This news was certainly not welcome, particularly in light of the many sacrifices made by you and your colleagues in the past 18 months. The agency making the announcement – the Centers for Medicare & Medicaid Services (CMS) – has few options, as the formula is prescribed by law. There is already a movement afoot to request Congressional intervention; the precedent was set in December 2020 when federal legislators stepped in with a \$3 billion aid package for the current year. A similar response is the best hope to reverse the proposed cuts, a feeling that reminds us of the 17 times that Congress had to intervene in the 2000s. The Medicare Access to Care and CHIP Reauthorization Act (MACRA) of 2015 was supposed to save you from these dreaded last-minute interventions. A silver lining could be that Congress realizes that MACRA didn't do the trick – and considers starting from scratch again to (finally) solve the payment problem

that has been plaguing medical practices for more than two decades.

The remainder of the proposed rule featured news that could represent opportunity:

- many telemedicine services would be reimbursed through December 31, 2023, providing a time cushion for the government to perhaps make the regulatory relaxations permanent
- delaying the “value pathways” that were proposed for the Merit-based Incentive Payment System in 2021, thus reducing the administrative burden of having to learn a new component of the government’s program
- boosting reimbursement for Medical Nutrition Therapy (MNT) and related services as rendered by nutritionists and dieticians in parity with the rate of 85% of the physician fee schedule enjoyed by other advanced practice providers, and extending the ability for any physician to refer for these services, not just the treating physician
- suspending the penalty for the Appropriate Use Criteria (AUC) program for another year

On the not-so-good-news front, the government confirmed that 2022 is the final year in which the “exceptional performance” bonuses for the Merit-based Incentive Payment System (MIPS) will apply. While touted to be a great financial opportunity, participating physicians who have attained perfect scores in the MIPS program have yet to even receive 2%. Even this paltry bonus, however, will no longer apply after 2022. Because the program runs in two-year cycles – what you are doing now influences your 2023 reimbursement -- this means that your participation this year (2021) is really just about avoiding the 9% penalty imposed on non-participants. Further, the program now shifts to 30% of your score being derived from the “cost” category, which is based on the government’s analysis of your claims and, if attributed, the claims of the patients for whom you care.

The government also announced changes to the definition of a shared (split) visit, direct billing by physician assistants, and limitations regarding the reporting of critical care services. These and other proposals are included in the just-released, [1,747-page rule](#).

With all these changes, it may be an opportune time to review your 2020 performance report to determine how the government is assessing you and your practice. The government just released the reports. (See below for how to access your report.) If your report deviates from expectations, take action by asking for a targeted review. There’s no cost to do so; requests for appeals will be received through October 1, 2021 at 8 pm EST.

How To Obtain Your 2020 Quality Payment Program Report:

- Sign in to qpp.cms.gov
- Select “Performance Feedback” from the home page

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- Select your organization (Practice, APM Entity, Virtual Group); note that practice representatives can access both individual and group feedback through the practice organization.
 - You must have a HARP account to view your performance. To register for an account, see the “Register for a HARP Account and Connect to an Organization” documents in the [QPP Access User Guide](#)

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