2019 Medicare Hospital Outpatient Prospective Payment System Final Rule Released

On November 2, 2018, the Centers for Medicare and Medicaid Services (CMS) published the CY 2019 Final Rule which includes payment rates and policy changes to the Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) Payment System. These policy changes and payment rates are effective as of January 1, 2019.

In general, the rule provides for a 1.35% update in hospital outpatient payment rates in 2019. Hospitals that fail to meet the hospital outpatient quality reporting requirements will receive a 2% reduction in payments.

The payments made under OPPS cover facility resources including equipment, supplies, and hospital staff, but do not include services of physicians or non-physician practitioners paid separately under the Medicare Physician Fee Schedule. Services under OPPS, which are clinically similar and require similar resources are classified into payment groups called Ambulatory Payment Classifications (APCs) and a payment rate is established for each APC. The APC payment rates are adjusted for geographic cost differences, and payment rates and policies are updated annually through rulemaking.

Highlights of the final rule of interest to Epilepsy Centers

APCs for Epilepsy Center Services – Attached to this summary is a chart showing the APC payment rates for epilepsy outpatient procedural and surgical services for 2019. While significant changes in the brain and cranial neurostimulator codes have occurred that will impact APC payments, in general the APCs (hospital facility fees) for epilepsy center services are remaining fairly stable.

Site Neutral Payments – Off-Campus/Provider-Based Departments (PBDs) – In 2019, CMS is extending its policies on reducing payments for services provided in off-campus provider-based departments to include clinic visits with the goal of creating a more site-neutral payment system. The policy, instituted for off-campus provider-based hospital outpatient departments that began billing under the OPPS on or after Nov. 2, 2015, set payment for services under the physician fee schedule at 40% of the OPPS rate.

In this rule, CMS is finalizing its proposal to reduce the payment rate for hospital outpatient clinic visit services (HCPCs Code G0463) provided at all off-campus provider-based departments to 40% of the OPPS rate, but is phasing in the reduction over two years. In 2019, clinic visit services will be paid 70% of the OPPS rate (50% of the total reduction) and in 2020 and subsequent years, clinic visits will be paid at 40% of the OPPS rate.

CMS decided not to finalize its proposal to reduce payment to 40% of the OPPS rate for excepted or grandfathered off-campus PBDs that add a new service from a clinical family from which it did not previously furnish services, but will continue to monitor this issue.

There are several exceptions to the provider-based department new OPPS payment rate, which include items and services provided in:

- A dedicated emergency department
- An off-campus PBD that was billing for services prior to November 2, 2015 that has not been relocated or changed ownership
- A PBD that is considered “on campus” or within 250 yards of the hospital or remote location of the hospital
- Certain cancer hospitals that met the definitions of PPS-exempt cancer hospitals after November 15, 2015 and before December 15, 2016.

Part B Drug Reimbursement - Reimbursement for Part B drugs provided in hospital outpatient departments are reimbursed at a rate of ASP+6%. During the initial sales period of a new drug when data on prices on drug sales are not sufficient Medicare pays on the basis of wholesale acquisition cost (WAC) plus 6%. Similar to the policy proposed in the Medicare Physician Fee Schedule for 2019, CMS finalized its proposal to pay for new drugs under OPPS at WAC+3%.

2019 Final Hospital Outpatient Prospective Payment System (HOPPS) Regulations
Neurology-Related Services

CPT/ HCPCS	Description	2018 Final Payment Rate	2019 Final Payment Rate	2018 Final Status Indicator*	2019 Final Status Indicator*	2018 Final APC	2019 Final APC	%Change
61720	Incise skull/brain surgery	$4,627.27	$4,566.06	J1	J1	5432	5432	-1.32%
61770	Incise skull for treatment	$4,627.27	$4,566.06	J1	J1	5432	5432	-1.32%
61790	Treat trigeminal nerve	$1,610.39	$1,631.48	J1	J1	5431	5431	1.31%
61791	Treat trigeminal tract	$1,610.39	$1,631.48	J1	J1	5431	5431	1.31%
61880	Revise/remove neuroelectrode	$2,879.17	$2,879.80	Q2	Q2	5461	5461	0.02%
61885	Insrt/redo neurostim 1 array	$18,367.62	$18,707.16	J1	J1	5463	5463	1.85%
61886	Implant neurostim arrays	$27,889.86	$27,697.85	J1	J1	5464	5464	-0.69%
61888	Revise/remove neuroreceiver	$6,055.19	$5,979.53	J1	J1	5462	5462	-1.25%
64569	Revise/repl vagus n eltrd	$6,055.19	$5,979.53	J1	J1	5462	5462	-1.25%
95812	Eeg, 41-60 minutes	$248.81	$252.31	S	S	5722	5722	1.41%
95813	Eeg, over 1 hour	$248.81	$252.31	S	S	5722	5722	1.41%
95816	Eeg, awake and drowsy	$248.81	$252.31	S	S	5722	5722	1.41%
95819	Eeg, awake and asleep	$248.81	$252.31	S	S	5722	5722	1.41%
95822	Eeg, coma or sleep only	$248.81	$252.31	S	S	5722	5722	1.41%
95950	Ambulatory eeg monitoring	$444.36	$455.27	S	S	5723	5723	2.46%
95951	EEG monitoring/videorecord	$902.91	$912.79	S	S	5724	5724	1.09%
95953	EEG monitoring/computer	$444.36	$455.27	S	S	5723	5723	2.46%
95954	EEG monitoring/giving drugs	$444.36	$455.27	S	S	5723	5723	2.46%
95956	Eeg monitoring, cable/radio	$444.36	$455.27	S	S	5723	5723	2.46%
95958	EEG monitoring/function test	$902.91	$912.79	S	S	5724	5724	1.09%
95961	Electrode stimulation, brain	$902.91	$912.79	S	S	5724	5724	1.09%
95965	Meg spontaneous	$902.91	$912.79	S	S	5724	5724	1.09%
95966	Meg, evoked, single	$902.91	$912.79	S	S	5724	5724	1.09%
95970	Analyze neurostim, no prog	$105.03	$106.48	Q1	Q1	5734	5734	1.38%
95971	Analyze neurostim, simple	$115.17	$117.54	S	S	5742	5742	2.06%
95972	Analyze neurostim, complex	$115.17	$117.54	S	S	5742	5742	2.06%
95974	Cranial neurostim, complex	$115.17	NA	S	D	5742	NA	NA
95978	Analyze neurostim brain/1h	$115.17	NA	S	D	5742	NA	NA
95976	Alys smpl cn npgt prgrmg	NEW CODE IN 2019	$37.16	NEW CODE IN 2019	S	NEW CODE IN 2019	5741	NA
95977	Alys cplx cn npgt prgrmg	NEW CODE IN 2019	$117.54	NEW CODE IN 2019	S	NEW CODE IN 2019	5742	NA
95983	Alys brn npgt prgrmg 15 min	NEW CODE IN 2019	$37.16	NEW CODE IN 2019	S	NEW CODE IN 2019	5741	NA
95984	Alys brn npgt prgrmg addl 15	NEW CODE IN 2019	NA	NEW CODE IN 2019	N	NEW CODE IN 2019	NA	NA
95836	Ecog impltd brn npgt </30 d	NEW CODE IN 2019	$37.16	NEW CODE IN 2019	Q1	NEW CODE IN 2019	5741	NA

Explanation of Status Indicators

	Item/Code/Service	OPPS Payment Status
D	Discontinued Codes	Not paid under OPPS or any other Medicare payment system.
J1	Hospital Part B services paid through a comprehensive APC	Paid under OPPS; all covered Part B services on the claim are packaged with the primary "J1" service for the claim, except services with OPPS SI=F,G, H, L and U; ambulance services; diagnostic and screening mammography; all preventive services; and certain Part B inpatient services.
Q1	STV-Packaged Codes	Paid under OPPS; Addendum B displays APC assignments when services are separately payable. (1) Packaged APC payment if billed on the same claim as a HCPCS code assigned status indicator “S,” “T,” or “V.” (2) Composite APC payment if billed with specific combinations of services based on OPPS composite-specific payment criteria. Payment is packaged into a single payment for specific combinations of services. (3) In other circumstances, payment is made through a separate APC payment.
Q2	T-Packaged Codes	Paid under OPPS; Addendum B displays APC assignments when services are separately payable. (1) Packaged APC payment if billed on the same claim as a HCPCS code assigned status indicator “T.” (2) In other circumstances, payment is made through a separate APC payment.
S	Procedure or Service, Not Discounted When Multiple	Paid under OPPS; separate APC payment.

**These codes have comment indicator of NP = New code for the next calendar year or existing code with substantial revision to its code descriptor in the next calendar year as compared to current calendar year, proposed APC assignment; comments will be accepted on the proposed APC assignment for the new code.