

CY 2021 Medicare Physician Fee Schedule (MPFS) Final Rule Executive Summary

On December 1, 2020 the Centers for Medicare and Medicaid Services (CMS) released the Calendar Year (CY) 2021 Medicare Physician Fee Schedule (MPFS) final rule (CMS-1734-F). Below is a high-level summary of key changes:

Refinements to Values for Certain Services to Reflect Revisions to Payment for Office/Outpatient Evaluation and Management (E/M) Visits

- CMS finalized a policy to adopt the new coding, prefatory language, and interpretive guidance framework that has been issued by the AMA's CPT Editorial Panel regarding the revisions to the office/outpatient E/M visit code set (CPT codes 99201 through 99215), which will be effective January 1, 2021.
- Under this new CPT coding framework, history and exam will no longer be used to select the level of code for office/outpatient E/M visits.
- CMS is finalizing its proposal to not extend the revisions to the E/M visit code set to the 10- and 90-day global surgical codes.

Hip-Knee Arthroplasty (CPT codes 27130 and 27447)

- CMS is finalizing its proposal to accept the RUC-recommended work RVU of 19.60 for CPT code 27130 and the RUC-recommended work RVU of 19.60 for CPT code 27447. CMS is also finalizing the proposed RUC-recommended direct PE inputs for both codes.

Toe Amputation (CPT Codes 28820 and 28825)

- CMS is not accepting the RUC-recommended work RVU of 4.10 for code 28820 and work RVU of 4.00 for code 28825. CMS is finalizing its proposal to accept the work RVUs of 3.51 for code 28820 and 3.41 for code 28825. CMS is also finalizing its proposal to refine the pre-service clinical labor times to conform to the 000-day global period standards for both codes.

Shoulder Debridement (CPT codes 29822 and 29823)

- CMS is finalizing its proposal to accept the RUC-recommended work RVU of 7.03 for code 29822 and 7.98 for CPT code 29823. CMS is finalizing the RUC-recommended direct PE inputs without refinement.

CY 2021 Conversion Factor

- CMS is decreasing the 2021 conversion factor by 10.2 percent (\$36.09 for 2020, down to a proposed \$32.41 for 2021) citing a statutory mandate for budget neutrality resulting from changes in the work RVUs.

Telehealth and Other Services Involving Communications Technology

- CMS reiterated that telehealth rules do not apply when the beneficiary and the physician or practitioner are in the same location even if audio/video technology assists in furnishing a service.
- CMS is establishing payment for audio-only interactions with beneficiaries on an interim final basis for a new HCPCS G-code describing 11-20 minutes of medical discussion to determine the necessity of an in-person visit.

- CMS is finalizing the expanded definition, which includes telehealth codes for virtual check-ins, e-visits, and telephonic communication, which will apply when the assignment window for a benchmark or performance year includes any months during the public health emergency (PHE) for COVID-19.
- CMS is establishing a policy in which teaching physicians may use interactive, real-time audio/video means to interact with residents in order to meet the requirement that they be present for the key portion of the service.
- The PHE for COVID-19 has been extended into CY 2021, allowing for services added to the Medicare telehealth list on a Category 3 basis to remain for at least the entirety of 2021.
- CMS is finalizing that Physical and Occupational Therapy Services will remain temporarily on the Medicare telehealth list through the end of the year in which the PHE for COVID-19 ends (Category 3 services).
- CMS is finalizing for permanent addition to Medicare Telehealth Services 60 additional services including Visit Complexity Inherent to Certain Office/Outpatient E/Ms (HCPCS G2211) and Prolonged Services (HCPCS G2212).
- At the conclusion of the PHE for COVID-19, these waivers and interim policies will expire and payment for Medicare telehealth services will once again be limited by the requirements of section 1834(m) of the Act, and we will return to the policies established through the regular notice and comment rulemaking process, including the previously established Medicare telehealth services list.

Effect of Proposed Changes Related to Scope of Practice

Supervision of Diagnostic tests by Certain Nonphysician Practitioners (NPPs)

- CMS is finalizing its proposal to allow nurse practitioners (NPs), clinical nurse specialists (CNSs), physician assistants (PAs) and certified nurse-midwives (CNMs) to supervise the performance of diagnostic tests in addition to physicians.
- CMS is adding Certified Registered Nurse Anesthetists (CRNAs) to the list of non-physician practitioners who may supervise diagnostic tests, to the extent that it is applicable under state law.

Pharmacists Providing Services Incident to Physicians' Services

- Since pharmacists fall within the regulatory definition of auxiliary personnel, pharmacists may provide services incident to the services, and under the appropriate level of supervision, of the billing provider, if payment for the service is not made under the Medicare Part D benefit.

Therapy Assistants Furnishing Maintenance Therapy

- CMS is finalizing its proposal to make permanent their Part B policy for maintenance therapy services that they adopted on an interim basis for the PHE, which grants a physical therapist (PT) and occupational therapist (OT) the discretion to delegate the performance of maintenance therapy services, as clinically appropriate, to a therapy assistant – a physical therapist assistant (PTA) or an occupational therapy assistant (OTA).

Supervision of Residents

- CMS is finalizing a proposal to allow for the virtual presence of a teaching physician using audio/visual real-time communications technology for the duration of the PHE.
- CMS is finalizing the primary care exception policy to allow teaching physicians to direct care furnished by the resident and review the services furnished by the resident during or immediately after the visit remotely, using audio/visual real-time communications for the duration of the PHE.

Quality Payment Program

- **Performance threshold for Performance Year (PY) 2021 MIPS set at 60 points. CMS originally suggested 50 points in the 2021 MPFS Proposed Rule.**
- CMS is finalizing the APM Performance Pathway (APP) and it will be available for reporting for PY 2021.
- CMS is sunsetting the APM Scoring Standard effective December 31, 2020.
- CMS is sunsetting the CMS Web Interface as a collection and submission type for MIPS for PY 2022 instead of PY 2021.
- CMS finalized that MVP implementation will begin January 1, 2022.
 - CMS finalized, as originally proposed, the criteria and process for MVP development laid out in the proposed rule.
 - CMS has made the MVP template available.
- CMS has finalized the new administrative claims-based quality measure, Risk-standardized complication rate (RSCR) following elective primary total hip arthroplasty (THA) and/or total knee arthroplasty (TKA) for Merit-based Incentive Payment System (MIPS) Eligible Clinicians.
- CMS has delayed the QCDR measure testing and data collection requirements until January 1, 2022.

The complete rule can be found online [here](#).