Integrated Care Resource Center

Spotlight: New CMS Proposed Rule Expands Payment for Medicare Physician Services for Patients with Complex Conditions and Restates Ban on Balance Billing for Medicare-Medicaid Enrollee Cost Sharing

Comments Due September 6

In the July 15, 2016 *Federal Register*, the Centers for Medicare & Medicaid Services (CMS) proposed a rule updating the Medicare Physician Fee Schedule (PFS) with a number of additional new payment codes that are aimed at expanding payment for services provided to Medicare beneficiaries with complex physical and behavioral health conditions, many of whom are Medicare-Medicaid dually eligible beneficiaries. The proposed rule also reiterates the long-standing ban on charging Qualified Medicare Beneficiaries (QMBs) for Medicare beneficiary cost sharing. CMS invites comment on the proposed rule.

States that are operating or planning programs that integrate Medicare and Medicaid benefits for dually eligible beneficiaries will want to consider the extent to which these additional Medicare payments to physicians for care and management of complex conditions may substitute for or supplement services currently being provided to Medicare-Medicaid enrollees through Medicaid. States may also want to consider revisions to Medicaid physician payment systems to bring them more closely in line with these new Medicare payments for care of complex and chronic conditions.

Following is ICRC's summary of provisions in the proposed Medicare PFS rule that are most relevant to states with the *Federal Register* page numbers in parentheses for information.

Improving Payment Accuracy for Primary Care, Care Management, and Patient-Centered Services *(FR, pp. 46200-46215)*

All of the proposed new payments for care of patients with complex conditions described below are included in this section.

- **Establishing Separate Payments for Non-Face-To-Face Prolonged Evaluation and Management (E/M) Services.** These would be additional payments to recognize the extraordinary amount of time outside of in-person office visits that practitioners may need for patients with multiple chronic conditions. CMS also proposes to increase the existing payment rates for face-to-face (in-person) prolonged E/M services. *(FR, pp. 46202-46203)*
- **Establishing Separate Payments for Behavioral Health Integration.** These would be additional payments to primary care practices that use inter-professional care management resources to treat patients with behavioral health conditions. Several of these proposed new codes describe services within established behavioral health integration models of care, including the psychiatric Collaborative Care Model that involves care coordination between a psychiatrist or behavioral health specialist and the primary care clinician, which has been shown to improve quality. *(FR, pp. 46203-46205)*
- **Reducing Administrative Burden and Improving Payment Accuracy for Chronic Care Management (CCM) Services.** In January 2015, CMS established a new Medicare fee-for-service payment policy for CCM services that the proposed rule would modify and build on, effective CY 2017. It includes several proposals that aim to reduce administrative burden

associated with the existing CCM codes, as well as proposals to increase payment for certain initiating CCM visits and establish payment for complex CCM visits, improving CCM payment accuracy for primary care physicians and other practitioners treating patients with multiple chronic conditions. A table on FR pp. 46211-46213 summarizes the current CCM payment rules and the proposed changes. For more background on how Medicare's CCM payments provide opportunities for states, see the November 2015 ICRC technical assistance brief *Medicare Chronic Care Management Services Payment: Implications for States Serving Dually Eligible Individuals*. *(FR pp. 46205-46213)*

- **Assessment and Care Planning for Patients with Cognitive Impairment.** CMS is proposing a new code that would provide separate payment to recognize the work of a physician or other appropriate billing practitioner in assessing and creating a care plan for beneficiaries with cognitive impairment, such as dementia or Alzheimer's disease. *(FR, pp. 46213-46214)*
- **Improving Payment Accuracy for Care of People with Disabilities.** CMS is proposing a new add-on code to increase payment for E/M visits to individuals whose care requires additional equipment and other resources due to a mobility-related disability. This code recognizes the challenges in care faced by individuals with disabilities and the additional appointment time, equipment, and clinical support that may be needed for an office visit, particularly for individuals with mobility-related disabilities. CMS solicits comment on this proposed new code, and other coding changes to improve payment accuracy for the care of people with disabilities. *(FR, pp. 46214-46215)*

Prohibition on Billing Qualified Medicare Beneficiary Individuals for Medicare Cost Sharing

In addition to the proposed payment changes, the PFS proposed rule also includes a reminder to Medicare providers that federal law prohibits them from collecting Medicare Part A and Medicare Part B deductibles, coinsurance, or copayments from those enrolled in the QMB program, and states that providers should take steps to educate themselves and their staff about QMB billing prohibitions and to ensure that QMBs are exempt from billing and related collection efforts for Medicare cost-sharing. This section of the PFS proposed rule highlights the Access to Care study CMS released in July 2015 finding that confusion and inappropriate balance billing persist notwithstanding laws prohibiting Medicare cost-sharing charges for QMB individuals. *(FR, pp. 46406-46407)*

ABOUT THE INTEGRATED CARE RESOURCE CENTER

The ***Integrated Care Resource Center*** is a national initiative of the Centers for Medicare & Medicaid Services to help states improve the quality and cost-effectiveness of care for individuals dually eligible for Medicare and Medicaid. The state technical assistance activities are coordinated by Mathematica Policy Research and the Center for Health Care Strategies. For more information, visit http://www.integratedcareresourcecenter.com.

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