



# Happy

## New (Medicare) Year!

## HIGHLIGHTS OF THE 2015 MEDICARE PHYSICIAN FEE SCHEDULE

By J. Ryan Williams

**T**HE CENTERS FOR Medicare and Medicaid Services (CMS) recently released the 2015 Physician Fee Schedule. Every year, this fee schedule modifies Medicare payment policies affecting physicians and a host of other providers. Below are highlights of the more important and significant provisions of the 2015 Physician Fee Schedule.

**No Relief From SGR.** Unfortunately, the 2015 Physician Fee Schedule does not include any relief from the sustainable growth rate (SGR), which is an adjustment that affects payment rates under the Medicare fee schedule. Because the SGR is statutorily mandated, CMS is without power to amend, modify or change it. This sets up another political showdown after the first of the year. If not permanently fixed (or patched, which has happened for the past several years), Medicare payments under the fee schedule will be reduced by approximately 20 percent on April 1, 2015.

**Payment for CCM.** Beginning in 2015, Medicare will pay physicians and providers for providing chronic care management (CCM) services to patients with multiple (2 or more) complex conditions. CCM services are non-face-to-face encounters that include regular development and revision of a plan of care, communication with other treating

health professionals, and medication management. The payment for CCM is \$41.92 and paid on a per-member, per-month basis. In other words, physicians and providers can bill the CCM code only once per month for each qualifying Medicare beneficiary. Physicians and providers should be mindful that supervision requirements and other standards apply and should be reviewed before billing the CCM code to Medicare.

**Additional Telehealth Services.** With the ongoing transformation of the care delivery models, telehealth services has played and will continue to play a key role. CMS continues to recognize this and has added more services that physicians and providers can offer via telehealth. In 2015, Medicare will pay for annual wellness visits, psychoanalysis, psychotherapy, and prolonged evaluation and management services provided via telehealth.

**CME Payments Reportable.** In a move that has received much attention, CMS removed an exclusion from the Medicare Open Payments Program (sometimes referred to as the Sunshine Law) that previously protected payments to speakers at certain CME events, even if the CME event in question received funding from industry donors (i.e., pharmaceutical and device manufactures). In 2015, CME event sponsors will be required to report all indirect payments to speakers if the

industry donor is aware of the identity of the speakers before or after the payment. CMS has since responded to industry concerns by clarifying that no report is necessary so long as the industry donor does not either select or pay the speaker directly, or provide the CME event sponsor with an identifiable set of recipients to be considered as speakers.

**PQRS and VBPM.** CMS made several changes to the physician quality reporting system (PQRS) and the value based payment modifier (VBPM). CMS is adding 28 new measures and removing 73 current measures from PQRS. In addition, a downward payment adjustment of 2 percent will apply in 2017 for failing to satisfactorily participate in PQRS during 2015. Likewise, for physicians who do not satisfactorily participate in VBPM during 2015, these physicians could face an increased downward payment modifier (about 4 percent) in 2017. CMS is also expanding VBPM to all non-physician professionals.

2015 is shaping up as another interesting year for physicians and providers that participate in Medicare. An understanding of these and other provisions of the 2015 Medicare Physician Fee Schedule is critical for physicians and providers.

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