Medicare Physician Fee Schedule
Final Rule
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Summary of Key Provisions

• Sets the 2022 PFS conversion factor at $34.6062 (cut from CY21 which was $34.8931)
  • Updated spreadsheets on the CMS website: [RVU22A | CMS](http://rvu22a.cms.gov)

• Finalizes recent changes to Evaluation and Management (E/M) visit codes, such as policies for:
  • Split (or shared) E/M visits
  • **Critical care services**
  • Services furnished by teaching physicians
  • **Changes to the practice expense for many services associated with the update to clinical labor pricing**

• Finalizes considerations for vaccine administration services

• Revises telehealth services under the Consolidated Appropriations Act, 2021; **allows use of audio-only communications technology when furnishing mental health services** in certain circumstances
A Bit More Detail on Physician Payments

Conversion factor:

• Looming payment cuts...
  • Medicare sequestration cuts (-2%)
  • PAYGO sequestration cuts (-4%)
  • Physician Fee Schedule and “Budget Neutrality” cuts (-3.75%)

• Congress recently passed legislation! 😊
  • Stops the 2% Medicare sequester cut until April ‘22; then a 1% cut through June; full cut thereafter
  • PAYGO cuts of 4% are also slated to resume at the start of 2023
  • Mitigates the 3.75% payment cut to the PFS payments by providing a 3% bump for CY22

• What about the big picture?
  • Continue to work with CMS and Congress to address long-term challenges associated with Medicare payment policy, especially the budget neutrality provision in the MPFS
  • Constant state of flux regarding payment and revenue makes it difficult for practices to invest in necessary resources to transform care away from traditional models
  • Better is Possible: ACP's Vision for the U.S. Health Care System | Where We Stand | ACP (acponline.org)
Overview of Additional Provisions

Clinical labor pricing update: beginning in 2022, CMS will begin a four-year transition period to update the clinical labor pricing component of the practice expense methodology.

Critical care services: may be paid on the same day as other E/M visits by the same practitioner or another practitioner in the same group of the same specialty. There are additional documentation and modifier requirements.

Office visits included in codes with a surgical global period: critical services may be paid separately in addition to a procedure with a global surgical period.

Questions? Please email Dejaih at djohnson@acponline.org