



2025 Medicare Final Rule Highlights

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CMS issued its Final Rule for the 2025 Medicare Physician Fee Schedule in November. The document is extensive and the full document can be found at www.cms.gov. For the purposes of this article, we are going to highlight the following:

1. Changes to the Physician Fee Schedule;
2. Pre-pandemic limitations to Medicare telehealth services;
3. Changes to Behavioral Health Services;
4. Expansion of Advanced Primary Care Management Services;
5. Flexibilities for Opioid Treatment Programs; and
6. New coding for Caregiver Training Services.

Physician Pay Cut

The most impactful change under the Final Rule is the change to the Physician Fee Schedule (PFS), which will reduce payments by an average of 2.93% in 2025 compared to the average amounts paid for these services in 2024. This amounts to an estimated PFS conversion factor of \$32.35 in 2025, a decrease of \$0.94 of the conversion factor of \$33.29 in 2024. By way of background, the PFS was implemented in 1992. Each service was assigned 3 work relative value components (WRVUs), malpractice cost, and overhead cost. The units are added and multiplied by the conversion factor, which will provide for the average PFS reduction in 2025.

Telehealth Services under PFS

Another change under the Final Rule relates to the statutory limitations that were in place for Medicare telehealth services prior to

the COVID-19 pandemic. Beginning January 1, 2025, many limitations will retake effect for telehealth services provided under Medicare, which includes geographic and location restrictions on where the services are provided as well as limitations on the scope of which practitioners can provide such Medicare telehealth services. The Final Rule does, however, maintain the expansion of the scope for some services, allowing for certain flexibilities within CMS's authority. For example, CMS will continue to allow practitioners to provide telehealth services to Medicare beneficiaries from their homes using their practice address on the claim. CMS will also permit the use of two-way audio-only communication technology for telehealth services in certain situations where the patient is unable to use video technology. While most telehealth services will revert back to the pre-COVID-19 pandemic restrictions, some flexibilities are extended, unless further Congressional action is taken.

Changes to Behavioral Health Services

For 2025, CMS is creating separate codes for safety planning interventions for patients in crisis, including those patients with suicidal ideations or at risk of suicide or overdose. Specifically, CMS finalized a G-code that may be billed in 20-minute increments when safety planning interventions are personally performed by the billing practitioner in a variety of settings. The Final Rule provides for a monthly billing code for specific protocols required that relate to post-discharge follow-up contacts performed in conjunction

with a discharge from the emergency department for a crisis encounter. Under this code, these contacts can be billed as a bundled service describing four calls in one month.

Advanced Primary Care Management (APCM) Services

CMS established three new codes to incorporate elements of several existing care management services, to include Principal Care Management, Transitional Care Management, and Chronic Care Management. Unlike existing care management codes, however, there will be no time-based thresholds for these service elements in attempt to reduce the administrative burden associated with current coding and billing.

Opioid Treatment Programs (OTPs)

CMS is making permanent certain flexibilities for allowing periodic assessments via audio-only telecommunications so long as all other applicable requirements are met. CMS is also allowing for the OTP intake add-on code for two-way audio-video communications when billed for the initiation of treatment with methadone if the OTP determines that an adequate evaluation of the patient can be accomplished via an audio-visual telehealth platform.

Caregiver Training Services (CTS)

New coding and payment for caregiver training for direct care services and supports has been finalized. These training topics may include, without limitation, techniques to prevent decubitus ulcer formation, wound care, and infection control. The Final Rule also provides that these CTS may be furnished via telehealth.