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## Health Care & Life Sciences CLIENT BULLETIN

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## CMS Proposes Steep Cuts to Office-Based Dialysis Vascular Access Reimbursement...Again!

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On July 13, 2021 the Centers for Medicare and Medicaid Services (CMS) released the Medicare Physician Fee Schedule (MPFS) proposed rule for calendar year (CY) 2022 that could result in potentially significant reductions to Medicare reimbursement for participating physicians. The cuts are the result of a nearly 4% proposed reduction to the MPFS conversion factor, and a proposed change to the practice expense component of physician reimbursement that makes up approximately 42% of the Medicare physician reimbursement rate.

Of particular note, the proposed rule contains significant reductions in reimbursement for dialysis vascular access services commonly provided in physician practices and office-based laboratories (OBLs). As Yogi Berra famously said, "it's déjà vu all over again" since the nephrology and dialysis vascular access community already experienced drastic Medicare reimbursement cuts in 2017 for these same services when CMS implemented its policy of bundling services that are billed together more than 75% of the time. CMS is proposing the following additional cuts to the dialysis vascular access circuit codes:

PROPOSED OFFICE-BASED RATES								
CPT Code	Description	CY 2022 Proposed Rate	CY 2021 Final Rate	Increase / Decrease (\$)	Increase / Decrease (%)			
36901	Angiogram of access	\$660	\$757	(\$97)	-12.81%			
36902	Angiogram with angioplasty	\$1,119	\$1,360	(\$241)	-17.71%			
36903	Angiogram with stent	\$4,017	\$5,152	(\$1,135)	-22.03%			
36904	Thrombectomy	\$1,672	\$1,998	(\$326)	-16.31%			
36905	Thrombectomy with angioplasty	\$2,109	\$2,553	(\$444)	-17.39%			
36906	Thrombectomy with stent	\$5,033	\$6,456	(\$1,423)	-22.04%			

(continued)



The proposed rule also contains 20%-23% cuts to commonly performed office-based peripheral arterial disease revascularization codes, which interventions serve to reduce amputations and which reimbursement helped a number of office-based centers to offset significant cuts to the dialysis circuit codes since 2017. These proposed office-based cuts, when considered in light of CMS's stated policy to promote site-neutral payments for medical services

performed across different outpatient surgical settings, has many providers wondering why CMS would propose office-based reductions for these services, while simultaneously increasing reimbursement rates for these services when provided in an ASC setting as evidenced by the following proposed ASC CY 2022 rate adjustments:

PROPOSED AMBULATORY SURGERY CENTER RATES								
CPT Code	Description	CY 2022 Proposed Rate	CY 2021 Final Rate	Increase / Decrease (\$)	Increase / Decrease (%)			
36901	Angiogram of access	\$533	\$545	(\$12)	-2.28%			
36902	Angiogram with angioplasty	\$2,230	\$2,156	\$73	3.40%			
36903	Angiogram with stent	\$6,634	\$6,447	\$187	2.91%			
36904	Thrombectomy	\$2,977	\$2,156	\$820	38.04%			
36905	Thrombectomy with angioplasty	\$5,716	\$4,263	\$1,452	34.06%			
36906	Thrombectomy with stent	\$10,979	\$10,661	\$318	2.98%			

Jan Dees, American Vascular Associates CEO comments that these office-based cuts are likely to have a disproportionate adverse impact on poor and minority communities that suffer from kidney disease, diabetes and high blood pressure and are contrary to President Biden's stated public goal of addressing healthcare disparities across underserved communities. The United Specialists for Patient Access (USPA), a coalition of practitioners and affiliated entities involved in providing office-based specialty care, has recently been sounding the alarm regarding these proposed cuts. Dr. Mark Garcia, USPA Physician Member, notes that "with 1 in 10 Americans suffering from kidney disease, including 15 million who may be unaware that they are afflicted, we are in the midst of a public health crisis." He further comments that "these proposed cuts are poorly-timed in light of the COVID public health emergency, and will serve to increase CMS annual expenditures as the pace of office-based access center closures accelerates and patients are increasingly treated in hospital outpatient departments."

"Congressional advocacy is the best path forward" comments Dr. Hamed Mizani, President of South Texas Renal Care Group. "We need to encourage all nephrologists, access centers and dialysis organizations alike to help permanently preserve this critical component of the healthcare delivery system by reaching out to Congress and supporting industry advocacy groups, including the Dialysis Vascular Access Coalition and Renal Physicians Association, in their lobbying efforts." Payment rates will likely be finalized by mid-November and will become effective on January 1, 2022. Please contact one of the authors below if you have any questions about the information contained in this Client Alert.

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