

Fiscal Year (FY) 2020 Medicare Final Rule Issued for Hospital Inpatient

Interventional Cardiology, Peripheral Interventions & Rhythm Management

On August 2, 2019, the Centers for Medicare & Medicaid Services (CMS) released FY 2020 Hospital Inpatient Prospective Payment System (IPPS) final rates and policies that apply to approximately 3,330 acute care hospitals. These final rates will go into effect on October 1, 2019. Final payment rates for selected Interventional Cardiology (IC), Peripheral Interventions (PI) and Rhythm Management (RM) procedures are below (Table 1).

IPPS FINAL RULE HIGHLIGHTS

Proposed Changes to Payment Rates

CMS projects total payments will increase by about \$3.4 billion in FY2020. This marks a 3.1% increase to hospitals after all updates and changes are incorporated.

Wage Index Adjustments

CMS is finalizing its efforts to increase the payments of the 25% lowest wage index, rural hospitals, but in a reversal from the proposed rule, it will not achieve budget neutrality by lowering the wage indexes of the top 25% of hospitals. Instead, CMS has applied an adjustment to the standardized amount for all hospitals.

New Technology Add-On Payments

CMS is finalizing its proposal to create an alternative NTAP pathway for technologies receiving FDA marketing authorization under the Breakthrough Devices Program (also referred to as “Breakthrough Pathway”). These devices will automatically apply as “new” and will not be required to provide proof of substantial clinical improvement. To qualify for add-on payment, they will only need to meet the cost threshold. This change will begin with applications received for new technology add-on payments for FY 2021.

CMS is also finalizing its proposal to change NTAP payments. CMS is increasing the maximum additional payment to 65 percent of the costs of the technology from the current 50 percent. Additionally, CMS is increasing the add-on payment to 75 percent for certain antimicrobials designated as Qualified Infectious Disease Products.

CMS has proposed some revisions to its evaluation of the substantial clinical improvement criterion under both the IPPS NTAP and the OPPTS transitional pass-through payment policy. In particular, CMS clarified elements that will be considered when evaluating whether a technology meets the substantial clinical improvement criterion, specifying that endpoints to be considered would include a reduced length of stay or recovery time, an improvement in one or more activities of daily living, an improved quality of life, or a demonstrated greater medication adherence or compliance. In addition, CMS provides more clarity on the types of evidence or study design that may be considered in evaluating substantial clinical improvement.

For FY2020, CMS will continue to grant new technology add-on payments for Sentinel™, which was originally granted NTAP status in FY2019.

PROPOSED PAYMENT UPDATES FOR PROCEDURES OF INTEREST

Interventional Cardiology (% weighted averages shown)

Coronary Therapies

- Drug-eluting stent payment rates will remain flat at +0.50%.
- Bare metal stent payment rates will decrease 0.47%.
- PCI without stent payment rates will increase 1.96%.

Structural Heart

- WATCHMAN™ payment rates will increase 8.58% (based upon weighted average estimate of 91% in DRG 274 and 9% in DRG 273)
- TAVR payment rates will remain flat at +0.53%
- CMS finalized creation of two new MS-DRGs (non-supplement) transcatheter cardiac valve procedures: MS-DRG 319 (Other Endovascular Cardiac Valve Procedures with MCC) and MS-DRG 320 (Other Endovascular Cardiac Valve Procedures without MCC). These new DRGs conform with the severity level split of MS-DRGs 266 and 267. CMS finalized the proposal to reassign some procedure codes from their current MS-DRGs to these new MS-DRGs.
- Procedures that involve the Mitral Valve (including other valve procedures such as: Tricuspid and Pulmonary) have been reassigned to Endovascular Cardiac Valve MS-DRGs.
- CMS finalized the proposal to continue the NTAP associated with use of the Sentinel® Cerebral Protection System (Sentinel). CMS separately finalized a change to the calculation of the new technology add-on payment amount to 65% of the incremental cost (vs. 50%). For FY 2020, the maximum new technology add-on payment amount for a case involving Sentinel will increase from \$1,400 to \$1,820.

Peripheral Interventions (% weighted averages shown)

- Lower extremity arterial/venous mechanical thrombectomy payment rates will increase 3.62%
- PTA, stenting, atherectomy and embolization payment rates will increase 3.18%
- Carotid artery stent payment rates will increase 5.57%

Rhythm Management (% weighted averages shown)

- ICD and CRT-D system implant payment rates will increase 1.53%
- ICD and CRT-D generator replacement payment rates will increase 6.60%
- Pacemaker and CRT-P system implant payment rates will increase 1.58%
- Pacemaker and CRT-P generator replacement payment rates will increase 3.38%
- Pacemaker revisions and insertion of subcutaneous cardiac rhythm monitor implant payment rates will increase 3.26%
- Intracardiac ablation payment rates will increase 7.55%
- Leadless cardiac pacemaker payment rates will decrease 5.33%. The decrease is most likely due to the movement of transcatheter mitral valve repair procedures to MS-DRGs 266-267 (see Interventional Cardiology section). When a procedure is moved from one MS-DRG to another the costs and volume of the procedure affects the overall weighting when calculating payment of both the previous and new MS-DRG. In this case, resulting in a decreased payment rate for Leadless cardiac pacemakers.

CONTACTS

If you have questions or would like additional information, please contact:

Rhythm Management (RM)	Interventional Cardiology (IC)	Peripheral Interventions (PI)
CRM.Reimbursement@bsci.com 1-800-CARDIAC and request ext. 24114 for Reimbursement Support	IC.Reimbursement@bsci.com 1-877-786-1050 and select option 2 for Reimbursement Support	PIReimbursement@bsci.com 1-800-CARDIAC and request ext. 24114 for Reimbursement Support

SOURCE INFORMATION

The FY2020 Final Rule IPPS Rule (CMS-1716-F) is available for review at the following link:

<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2020-IPPS-Final-Rule-Home-Page>.

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This coding information may include codes for procedures for which Boston Scientific currently offers no cleared or approved products. In those instances, such codes have been included solely in the interest of providing users with comprehensive coding information and are not intended to promote the use of any Boston Scientific products for which they are not cleared or approved. The Health Care Provider (HCP) is solely responsible for selecting the site of service and treatment modalities appropriate for the patient based on medically appropriate needs of that patient and the independent medical judgement of the HCP.

Table 1: Interventional Cardiology, Peripheral Interventions, and Rhythm Management MS-DRGs of Interest

MS-DRG	MS-DRG Description	FY2020 Final Rate	FY2019 Final Rate	\$ Change (FY2019 Final - FY2020 Final)	% Change (FY2019 Final - FY2020 Final)
Interventional Cardiology					
Drug-Eluting Stents					
246	Percutaneous cardiovascular procedures w drug-eluting stent w MCC or 4+ arteries or stents	\$19,874	\$19,774	\$100	0.51%
247	Percutaneous cardiovascular proc w drug-eluting stent w/o MCC	\$12,745	\$12,682	\$63	0.50%
Bare Metal Stents					
248	Percutaneous cardiovascular procedures w non-drug-eluting stent w MCC or 4+ arteries or stents	\$19,396	\$19,370	\$26	0.13%
249	Percutaneous cardiovascular proc w non-drug-eluting stent w/o MCC	\$12,005	\$12,151	-\$146	-1.20%
Angioplasty or Atherectomy without Stent					
250	Perc cardiovasc proc w/o coronary artery stent w MCC	\$15,973	\$15,794	\$179	1.13%
251	Perc cardiovasc proc w/o coronary artery stent w/o MCC	\$10,542	\$10,244	\$298	2.91%
Endovascular Cardiac Valve Replacement (TAVR)					
266	Endovascular Cardiac Valve Replacement w MCC	\$44,607	\$43,908	\$699	1.58%
267	Endovascular Cardiac Valve Replacement w/o MCC	\$35,550	\$35,706	-\$156	-0.44%
319	Other Endovascular Cardiac Valve Procedures with MCC	\$25,686	NA	NA	NA
320	Other Endovascular Cardiac Valve Procedures without MCC	\$14,705	NA	NA	NA
WATCHMAN™ LAAC Procedure					
273	Perc cardiovasc proc w/o coronary artery stent w MCC	\$23,240	\$22,300	\$940	4.22%
274	Perc cardiovasc proc w/o coronary artery stent w/o MCC	\$19,792	\$18,184	\$1,608	8.84%
Peripheral Interventions					
PTA, Stent, Atherectomy & Embolization					
252	Other vascular procedure w MCC	\$20,548	\$19,903	\$645	3.24%
253	Other vascular procedure w CC	\$16,327	\$15,839	\$488	3.08%
254	Other vascular procedure w/o MCC/CC	\$11,401	\$11,051	\$350	3.17%
Thrombectomy of the Lower Extremities					
270	Other major cardiovascular procedures w/ MCC	\$32,009	\$30,904	\$1,105	3.58%
271	Other major cardiovascular procedures w/ CC	\$22,224	\$21,331	\$893	4.19%
272	Other major cardiovascular procedures w/o MCC/CC	\$16,294	\$15,985	\$309	1.93%
Carotid Artery Stenting					
034	Carotid artery stent procedure w MCC	\$23,512	\$21,979	\$1,533	6.97%
035	Carotid artery stent procedure w CC	\$14,420	\$13,556	\$864	6.37%
036	Carotid artery stent procedure w/o CC/MCC	\$10,968	\$10,538	\$430	4.08%
Rhythm Management					
ICD Systems					
222	Cardiac defib implant w cardiac cath w AMI/HF/shock w MCC	\$52,268	\$49,682	\$2,586	5.21%
223	Cardiac defib implant w cardiac cath w AMI/HF/shock w/o MCC	\$37,601	\$38,808	-\$1,207	-3.11%
224	Cardiac defib implant w cardiac cath w/o AMI/HF/shock w MCC	\$46,328	\$45,331	\$997	2.20%
225	Cardiac defib implant w cardiac cath w/o AMI/HF/shock w/o MCC	\$35,383	\$34,920	\$463	1.33%
226	Cardiac defibrillator implant w/o cardiac cath w MCC	\$41,890	\$41,628	\$262	0.63%
227	Cardiac defibrillator implant w/o cardiac cath w/o MCC	\$32,754	\$32,481	\$293	0.90%
ICD Replacements					
245	AICD generator procedures	\$32,620	\$30,601	\$2,019	6.60%
265	AICD Lead procedures	\$19,551	\$19,029	\$522	2.74%
Pacemaker Systems					
242	Permanent cardiac pacemaker implant w MCC	\$23,245	\$22,816	\$429	1.88%
243	Permanent cardiac pacemaker implant w CC	\$15,844	\$15,595	\$249	1.60%
244	Permanent cardiac pacemaker implant w/o CC/MCC	\$13,000	\$12,887	\$113	0.88%
Pacemaker Replacements					
258	Cardiac pacemaker device replacement w MCC	\$19,159	\$18,248	\$911	4.99%
259	Cardiac pacemaker device replacement w/o MCC	\$13,045	\$12,803	\$242	1.89%
Pacemaker Revisions and Insertion of Subcutaneous Cardiac Rhythm Monitor					
260	Cardiac pacemaker revision except device replacement w MCC	\$23,173	\$22,099	\$1,074	4.86%
261	Cardiac pacemaker revision except device replacement w CC	\$12,205	\$12,161	\$44	0.36%
262	Cardiac pacemaker revision except device replacement w/o CC/MCC	\$10,508	\$9,957	\$551	5.53%
Leadless Cardiac Pacemaker					
228	Other Cardiothoracic Procedures w MCC	\$39,376	\$40,151	-\$775	-1.93%
229	Other Cardiothoracic Procedure w/o MCC	\$25,712	\$28,381	-\$2,669	-9.40%
Intracardiac Ablation and Watchman™ LAAC Procedures					
273	Percutaneous Intracardiac Procedures w MCC	\$23,240	\$22,300	\$940	4.22%
274	Percutaneous Intracardiac Procedures w/o MCC	\$19,792	\$18,184	\$1,608	8.84%

Please Note: Boston Scientific currently has no FDA-approved Subcutaneous Cardiac Rhythm Monitor or a Leadless Cardiac Pacemaker
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