

Fiscal Year (FY) 2019 Hospital Inpatient Proposed Rule

Interventional Cardiology, Peripheral Interventions & Rhythm Management

On April 24, 2018, the Centers for Medicare & Medicaid Services (CMS) released FY 2019 Hospital Inpatient Prospective Payment System (IPPS) proposed rates and policies that apply to approximately 3,330 acute care hospitals. CMS is expected to release the final rule in July/Aug, with rates effective on October 1, 2018.

See Table 1 on page 5 for proposed payment rates for procedures of interest to Interventional Cardiology (IC), Peripheral Interventions (PI) and Rhythm Management (RM).

IPPS PROPOSED RULE HIGHLIGHTS

Proposed Changes to Payment Rates

CMS projects total payments will increase by about \$4 billion in FY2019. This marks a 1.75% increase to hospitals as demonstrated below:

Program Changes to Payment Rates	FY2019 Proposed Payment Adjustments*
Projected hospital market basket update	2.8%
Productivity adjustment	-0.8%
MACRA	+0.5%
Affordable Care Act required update	-0.75%
Total update*	+1.75%

*For hospitals that participate in the Hospital Inpatient Quality Reporting (IQR) and meaningful use of Electronic Health Records (EHR) programs

The majority of proposed changes relate to elements of the payment system impacted by recent legislation like the 21st Century Cures Act or to efforts to reduce burdensome reporting requirements. Proposed changes regarding pricing transparency, pay-for-performance programs and meaningful use are detailed below.

Pricing Transparency

Currently, hospitals are required by CMS to make publicly available a list of their standard charges or their policies for viewing a list of those charges upon request. However, CMS is updating its guidelines to specifically require hospitals to make public a list of their standard charges via the Internet by January 1, 2019, and to update this information at least annually.

Pay-for-Performance Programs

CMS is proposing changes to its “pay-for-performance” programs to reduce paperwork and reporting burdens on providers.

Inpatient Quality Reporting (IQR) Program:

The Hospital IQR Program collects and publishes data on quality measures in the inpatient hospital setting. CMS proposes:

- Removing 18 previously adopted measures that are no longer relevant or where the burden of collection outweighs the measure’s benefit;
- De-duplicating 21 measures (measures will remain in one of the other four hospital quality programs);
- Inviting public comments on two potential new quality measures; and
- Updating social risk factors by stratifying measures by patients’ dual eligibility status.

Hospital Value-Based Purchasing (VBP) Program:

The Hospital VBP Program adjusts payments to IPPS hospitals for inpatient services based on their performance on an announced set of measures. CMS proposes:

- De-duplicating ten measures: removing all seven safety measures from the Safety domain, as they are already in the HAC Reduction Program and removing three condition-specific payment measures, as they are already in the Hospital IQR Program, while retaining the Medicare Spending per Beneficiary measure; and
- Revising the program’s domain weighting beginning with the FY2021 program year by increasing the weight of the Clinical Care domain in calculating hospitals’ total performance scores.

Of note, two of the impacted measures are in the cardiovascular space: 30-day episode cost for acute myocardial infarction (AMI) and 30-day episode cost for heart failure (HF). If implemented, these changes mean that a hospital’s performance in these areas will no longer affect their overall payment rate. These measures will still be part of the IQR and be available for benchmarking and public use.

Hospital Acquired Conditions (HAC) Reduction Program:

The HAC Reduction Program reduces applicable IPPS payments by 1 percent for all hospitals that rank in the worst-performing 25 percent. CMS is proposing minor changes to HAC, including administrative updates for 5 Healthcare Associated Infection measures and updating measure weighting to simplify its methodology and address the concerns of small hospitals.

Hospital Readmissions Reduction Program (RRP)

The Hospital RRP reduces applicable IPPS payments by up to 3 percent for excess readmissions associated with AMI, HF, pneumonia, chronic obstructive pulmonary disease (COPD), total hip arthroplasty/total knee arthroplasty (THA/TKA), and coronary artery bypass graft (CABG). CMS is proposing updated definitions needed to assign eligible hospitals into five equal sized peer groups based on their proportion of dual eligible patients.

Meaningful Use to “Promoting Interoperability”

CMS is proposing an overhaul of the Medicare and Medicaid Electronic Health Record (EHR) Incentive Programs (also known as the “Meaningful Use” program) and renaming it “Promoting Interoperability”. The goal of restructuring is to promote more data exchange.

NEW TECHNOLOGY ADD-ON PAYMENT (NTAP) APPLICATIONS

NTAP approval is based on meeting the criteria for newness, high cost threshold and substantial clinical improvement. CMS received 15 applications for FY2019 and three NTAPs were proposed to be continued for FY2019. Two of fifteen proposed new applications for NTAPs relate to cardiovascular procedures, and are shown below.

NTAP Applications for FY2019	
Technology	Procedure
Supersaturated Oxygen (SSO ₂) Therapy (DownStream® System) (TherOx, Inc.) http://www.therox.com/sso2/sso2-therapy/what-is-sso2-therapy/	Adjunctive therapy designed to ameliorate progressive myocardial necrosis by minimizing microvascular damage in patients who have received treatment for a diagnosis of acute myocardial infarction (AMI) following percutaneous intervention (PCI) with coronary artery stent placement.
Cerebral Protection System (Sentinel® Cerebral Protection System) (Claret Medical, Inc) http://www.claretmedical.com/us-healthcare-professionals/technology/protected-tavr-with-sentinel-cps/	Indicated for the use as an embolic protection (EP) device to capture and remove thrombus and debris while performing transcatheter aortic valve replacement (TAVR) procedures.

NTAPs are typically maintained for 2-3 years to allow for data collection to determine DRG assignment. CMS proposes to discontinue five NTAPs. Two are related to Cardiovascular procedures, the Edwards Intuity Elite™ Valve System and the LivaNova Perceval Valve. If these NTAPs are discontinued, DRG assignments for the affected procedures will be published in the final rule.

PROPOSED PAYMENT CHANGES FOR PROCEDURES OF INTEREST

Interventional Cardiology & Structural Heart (% weighted averages shown)

- Drug-eluting stent payment rates are proposed to increase 1.29%
- Bare metal stent payment rates are proposed to increase 4.69%
- WATCHMAN™ Left Atrial Appendage Closure (LAAC) payment rates are proposed to increase 7.43%
- TAVR payment rates are proposed to decrease 3.66%

Peripheral Interventions (% weighted averages shown)

- Lower extremity arterial/venous percutaneous mechanical thrombectomy rates are proposed to increase by 4.38%
- PTA, stenting, atherectomy and embolization payment rates are proposed to increase by 2.69%
- Carotid artery stent payment rates are proposed to decrease by 2.18%

Rhythm Management (% weighted averages shown)

- ICD and CRT-D system implant payment rates are proposed to increase 1.37%
- ICD and CRT-D generator replacement payment rates are proposed to decrease 5.92%
- Pacemaker and CRT-P system implant payment rates are proposed to increase 0.96%
- Pacemaker and CRT-P generator replacement payment rates are proposed to increase 0.79%
- Intracardiac Ablation payment rates are proposed to increase 7.43%

CONTACTS

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

Interventional Cardiology (IC), Peripheral Interventions (PI) & Rhythm Management (RM)	WATCHMAN™ LAAC
Email: CRM.Reimbursement@bsci.com Call: 1-800-CARDIAC and request ext. 24114 for Reimbursement Support	Email: Watchman.reimbursement@bsci.com Call: 1-877-786-1050 and select option 2

SOURCE INFORMATION

The FY2019 Proposed IPPS Rule (CMS-1694-P) is available for review at the following link:

<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2019-IPPS-Proposed-Rule-Home-Page.html>

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

MS-DRG	MS-DRG Description	FY2019 Proposed Rate	FY2018 Final Rate	\$ Change (FY2018 Final - FY2019 Proposed)	% Change (FY2018 Final - FY2019 Proposed)
Interventional Cardiology					
Drug-Eluting Stents					
246	Percutaneous cardiovascular procedures w drug-eluting stent w MCC or 4+ arteries or stents	\$19,873	\$19,347	\$526	2.72%
247	Percutaneous cardiovascular proc w drug-eluting stent w/o MCC	\$12,768	\$12,750	\$18	0.14%
Bare Metal Stents					
248	Percutaneous cardiovascular procedures w non-drug-eluting stent w MCC or 4+ arteries or stents	\$19,432	\$18,366	\$1,066	5.80%
249	Percutaneous cardiovasc proc w non-drug-eluting stent w/o MCC	\$12,201	\$11,792	\$409	3.47%
Angioplasty or Atherectomy without Stent					
250	Perc cardiovasc proc w/o coronary artery stent w MCC	\$15,824	\$15,102	\$722	4.78%
251	Perc cardiovasc proc w/o coronary artery stent w/o MCC	\$10,280	\$10,020	\$260	2.59%
Endovascular Cardiac Valve Replacement (TAVR)					
266	Endovascular Cardiac Valve Replacement w MCC	\$44,253	\$46,720	-\$2,467	-5.28%
267	Endovascular Cardiac Valve Replacement w/o MCC	\$36,019	\$36,801	-\$782	-2.12%
WATCHMAN™ LAAC Procedure					
273	Perc cardiovasc proc w/o coronary artery stent w MCC	\$22,281	\$21,569	\$712	3.30%
274	Perc cardiovasc proc w/o coronary artery stent w/o MCC	\$18,289	\$16,684	\$1,605	9.62%
Peripheral Interventions					
PTA, Stent & Atherectomy					
252	Other vascular procedure w MCC	\$19,958	\$19,486	\$472	2.42%
253	Other vascular procedure w CC	\$15,820	\$15,277	\$543	3.55%
254	Other vascular procedure w/o MCC/CC	\$11,086	\$10,924	\$162	1.48%
Lower Extremity Percutaneous Mechanical Thrombectomy					
270	Other major cardiovascular procedures w/ MCC	\$30,864	\$29,777	\$1,087	3.65%
271	Other major cardiovascular procedures w/ CC	\$21,320	\$20,391	\$929	4.56%
272	Other major cardiovascular procedures w/o MCC/CC	\$16,047	\$14,788	\$1,259	8.51%
MS-DRG assignment for embolization varies, including but not limited to MS-DRG 252, 253, 254 or 270, 271, 272.					
Carotid Artery Stenting					
034	Carotid artery stent procedure w MCC	\$21,989	\$24,057	-\$2,068	-8.60%
035	Carotid artery stent procedure w CC	\$13,407	\$13,426	-\$19	-0.14%
036	Carotid artery stent procedure w/o CC/MCC	\$10,570	\$10,628	-\$58	-0.55%
Rhythm Management					
ICD Systems					
222	Cardiac defib implant w cardiac cath w AMI/HF/shock w MCC	\$49,925	\$51,136	-\$1,211	-2.37%
223	Cardiac defib implant w cardiac cath w AMI/HF/shock w/o MCC	\$39,200	\$38,823	\$377	0.97%
224	Cardiac defib implant w cardiac cath w/o AMI/HF/shock w MCC	\$45,574	\$44,241	\$1,333	3.01%
225	Cardiac defib implant w cardiac cath w/o AMI/HF/shock w/o MCC	\$35,231	\$34,117	\$1,114	3.27%
226	Cardiac defibrillator implant w/o cardiac cath w MCC	\$41,928	\$40,964	\$964	2.35%
227	Cardiac defibrillator implant w/o cardiac cath w/o MCC	\$32,773	\$32,573	\$200	0.61%
ICD Replacements					
245	AICD generator procedures	\$30,913	\$32,859	-\$1,946	-5.92%
265	AICD Lead procedures	\$19,184	\$20,115	-\$931	-4.63%
Pacemaker Systems					
242	Permanent cardiac pacemaker implant w MCC	\$22,871	\$22,331	\$540	2.42%
243	Permanent cardiac pacemaker implant w CC	\$15,644	\$15,722	-\$78	-0.50%
244	Permanent cardiac pacemaker implant w/o CC/MCC	\$13,001	\$12,894	\$107	0.83%
Pacemaker Revisions and PG Placements					
258	Cardiac pacemaker device replacement w MCC	\$18,281	\$18,570	-\$289	-1.56%
259	Cardiac pacemaker device replacement w/o MCC	\$12,904	\$12,577	\$327	2.60%
260	Cardiac pacemaker revision except device replacement w MCC	\$21,896	\$21,620	\$276	1.28%
261	Cardiac pacemaker revision except device replacement w CC	\$12,164	\$11,680	\$484	4.14%
262	Cardiac pacemaker revision except device replacement w/o CC/MCC	\$10,039	\$9,950	\$89	0.89%
Intracardiac Ablation and WATCHMAN™ LAAC Procedure					
273	Percutaneous Intracardiac Procedures w MCC	\$22,281	\$21,569	\$712	3.30%
274	Percutaneous Intracardiac Procedures w/o MCC	\$18,289	\$16,684	\$1,605	9.62%

Source: FY2018 CN calculated rates assume the hospital submits quality data and is a meaningful EHR user (Update = 1.35 Percent)
FY2019 FR calculated rates assume the hospital submits quality data and is a meaningful EHR user (Update = 1.25 Percent)

Please Note: Boston Scientific currently has no FDA-approved ablation catheters for the treatment of atrial fibrillation
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