

CMS Releases CY 2022 HOPPS Final Rule

On November 2, 2021 the Centers Medicare and Medicaid Services (CMS) released the calendar year (CY) [2022 Hospital Outpatient Prospective Payment System](#) (HOPPS) proposed rule. The finalized changes are effective January 1, 2022.

CMS will increase the conversion factor by 2.0 percent bringing it up to \$84.177 for CY 2022. CMS estimates that urban hospitals will experience an increase in payments of approximately 2.1 percent and that rural hospitals will experience an increase in payments of 2.3 percent. CMS will continue to implement the statutory 2.0 percentage point reduction in payments for hospitals that fail to meet the hospital outpatient quality reporting requirements by applying a reporting factor of 0.9805 to the OPSS payments and copayments for all applicable services. The reduced conversion factor for hospitals failing to meet the Hospital Outpatient Quality Reporting (OQR) Program requirements is proposed to be \$ 82.81.

In the CY 2022 HOPPS Proposed Rule, CMS proposed to place 71271 (Low Dose CT for Lung Cancer Screening) in the lowest Imaging without Contrast APC (5521), with payment rate of \$83.01. The ACR has raised concerns about the inadequate payments for CT lung screening based on flawed hospital data for several years. As a result of these comments, the ACR is very pleased that CMS has reassigned CPT code 71271 to the second tier Imaging without Contrast APC (5522) with a reimbursement rate of \$111.19. In addition, CMS finalized its proposal to place G0296 (visit to determine lung LDCT eligibility) in APC 5822, with a payment rate of \$76.42.

CMS proposed to continue to assign CPT code 76145 (Medical physics dose evaluation for radiation exposure that exceeds institutional review threshold, including report (medical physicist/ dosimetrist)) in APC 5611 (Level 1 Therapeutic Radiation Treatment Preparation) with a proposed payment rate of \$130.19. As a result of comments received by stakeholders, including the ACR, the College is happy with CMS's decision to reassign CPT code 76145 to APC 5612 (Level 2 Therapeutic Radiation Treatment Preparation) with a payment rate of \$345.85.

CMS proposed no structural changes to the seven imaging APCs. The below table shows the final CY 2022 payment rates for the imaging APCs.

CY 2022 HOPPS Imaging APCs

APC	Group Title	CY 2021 Payment Rate	CY 2022 Payment Rate
5521	Level 1 Imaging without Contrast	\$80.90	\$82.61
5522	Level 2 Imaging without Contrast	\$108.97	\$111.19
5523	Level 3 Imaging without Contrast	\$230.13	\$235.00

5524	Level 4 Imaging without Contrast	\$482.89	\$493.48
5571	Level 1 Imaging with Contrast	\$178.55	\$182.43
5572	Level 2 Imaging with Contrast	\$368.12	\$376.09
5573	Level 3 Imaging with Contrast	\$715.18	\$730.67

CMS is finalizing its proposal to stop the elimination of the IPO list and add back to the IPO list the services removed in 2021, except for CPT codes 22630 (Lumbar spine fusion), 23472 (Reconstruct shoulder joint), 27702 (Reconstruct ankle joint) and their corresponding anesthesia codes. CMS believes this change in policy promotes transparency and ensures that any service removed from the IPO list has been reviewed against Medicare’s longstanding IPO list criteria to determine if it is appropriate for Medicare to pay for the provision of the service in the outpatient setting.

On January 1, 2021, the Hospital Price Transparency policy took effect. In this final rule, CMS finalized several modifications designed to increase compliance and reduce hospital burden beginning January 1, 2022, including the following:

- CMS will set a minimum CMP of \$300/day that would apply to smaller hospitals with a bed count of 30 or fewer and apply a penalty of \$10/bed/day for hospitals with a bed count greater than 30, not to exceed a maximum daily dollar amount of \$5,500.
- CMS is modifying the hospital price transparency regulation’s deeming policy to include state forensic hospitals as having met the requirements, so long as such facilities provide treatment exclusively to individuals who are in the custody of penal authorities and do not offer services to the public.
- CMS is updating the regulation’s prohibition of certain activities that present barriers to access to the machine-readable file, specifically requiring that the machine-readable file be accessible to automated searches and direct downloads

Radiation Oncology Model

In the CY 2022 HOPPS proposed rule, CMS proposed significant changes to the Radiation Oncology Model. Under the Radiation Oncology (RO) Model, Medicare would pay participating providers and suppliers a site-neutral, episode-based payment for specified professional and technical RT services furnished during a 90-day episode to Medicare fee-for service (FFS) beneficiaries diagnosed with certain cancer types. The RO Model will include 30 percent of all eligible RO episodes. The Consolidated Appropriations Act (CAA), 2021, included a provision that prohibits implementation of the RO Model before January 1, 2022. In this final rule, CMS made policy changes related to the additional delayed implementation of the RO Model due to the CAA, 2021, as well as modifications to certain RO Model policies not related to the delay.

Model Performance Period

CMS finalized an updated performance period to January 1, 2022 through December 31, 2026. CMS finalized policy that each performance period will be a 12-month period, unless the initial model performance period starts mid-year, in which case performance year (PY)¹ will begin on that date and end on December 31 of that year.

CMS added a definition for “baseline period” specifying which episodes are used in the pricing methodology. The baseline period would be January 1, 2017 through December 31, 2019, unless the RO Model is prohibited by law from starting in 2022.

Participant Exclusions

CMS will exclude from the RO Model only the HOPDs that are participating in the Pennsylvania Rural Health Model (PARHM), rather than excluding both HOPDs in the PARHM and those that are eligible to participate in the PARHM. CMS finalized policy that the HOPD of any participating hospital in the Community Transformation Track of the Community Health Access and Rural Transformation (CHART) Model is excluded from the RO Model.

CMS finalized policy that an entity would not be eligible for low-volume opt-out if its legacy TIN or legacy CCN was used to bill Medicare for 20 or more episodes, or RO episodes, as applicable, of RT services in the two years prior to the applicable PY.

Changes to RO Model Episodes

CMS finalized policy to amend the criteria to include cancer types in the RO Model, which as a result would remove liver cancer from the list of cancer types included.

CMS finalized the removal of brachytherapy as an included modality in the RO Model.

Pricing Methodology

CMS finalized an adjusted discount factor for PC at 3.5%, and for TC at 4.5%.

CMS will make it an optional for RO participants submit quality measure data starting in PY 1 (2022), and therefore the proposed 2% quality withhold for the PC will not be applied to the applicable trended national base rates after the case mix and historical experience adjustments.

CMS finalized policy to modify the geography adjustment to align with the proposed model performance period so that the final year of the baseline period would be used to calculate the implied RVU shares.

CMS will require that Professional participants and Dual participants submit clinical data elements (CDEs) starting in PY 1.

Advanced APM/MIPS APM

CMS will define “Track One” of the RO Model to mean an Advanced APM or MIPS APM track for dual participants and professional participants that use CEHRT. CMS will define “Track Two” of the RO Model to mean an APM for Dual participants and Professional participants who do not meet the RO Model requirements to participate as an advanced APM or MIPS APM; and Technical participants.

CMS finalized that if Technical participants in freestanding radiation therapy centers start providing PC at any point during the model performance period, they must notify CMS within 30 days.

CMS finalized that the CEHRT requirement would begin in PY1 of the proposed model performance period and that RO Model participants must certify their use of CEHRT at the start of PY1.

Extreme and Uncontrollable Circumstances

CMS will adopt an extreme and uncontrollable circumstances policy for the RO Model which would allow CMS to revise the model performance period; grant certain exceptions for RO Model requirements to ensure the delivery of safe and efficient care; and revise the RO Model's payment methodology. CMS has determined that there is currently an EUC based on the ongoing COVID-19 public health emergency (PHE). Unless the Secretary terminates his renewal of the COVID-19 PHE prior to January 1, 2022, CMS intends to invoke provisions of the EUC policy on the effective date of the CY 2022 OPSS/ASC final rule, January 1, 2022.

The ACR is reviewing the final rule and will release a detailed summary in the coming weeks. If you have any questions, please email Christina Berry at cberry@acr.org.