

CMS Released CY 2023 HOPPS Proposed Rule

On July 15th, 2022, the Centers Medicare and Medicaid Services (CMS) released the calendar year [\(CY\) 2023 Hospital Outpatient Prospective Payment System \(HOPPS\) proposed rule](#). The finalized changes will appear in the final rule and are effective January 1st, 2023.

CMS proposes to increase the conversion factor by 2.7 percent bringing it up to \$ 86.785 for CY 2023. CMS proposes to 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 0.7 percent 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 \$ 85.093.

In the CY 2023 HOPPS Proposed Rule, CMS proposes to place 71271 (Low Dose CT for Lung Cancer Screening) in APC 5522 with payment rate of \$109.03. In addition, CMS proposes to place G0296 (visit to determine lung LDCT eligibility) in APC 5822, with a payment rate of \$76.98.

CMS has proposed no structural changes to the seven imaging APCs.

CY 2023 HOPPS Proposed Imaging APCs

APC	Group Title	CY 2022 Payment Rate	CY 2023 Proposed Payment Rate
5521	Level 1 Imaging without Contrast	\$82.61	\$88.16
5522	Level 2 Imaging without Contrast	\$111.19	\$109.03
5523	Level 3 Imaging without Contrast	\$235.00	\$238.24
5524	Level 4 Imaging without Contrast	\$493.48	\$512.73
5571	Level 1 Imaging with Contrast	\$182.43	\$183.61
5572	Level 2 Imaging with Contrast	\$376.09	\$375.11
5573	Level 3 Imaging with Contrast	\$730.67	\$751.54

CMS proposes to add one additional Comprehensive APC (C-APC) under the existing C-APC payment policy in CY 2023: Proposed C-APC 5372 (Level 2 Urology and Related Services). Table 1 in the proposed rule lists the proposed C-APCs for CY 2023.

For 2023, CMS proposes to remove 10 services from the Inpatient Only List (IPO) list, as well as add 8 newly created services. Table 46 in the rule contains the proposed changes to the IPO list. In the CY 2022 final rule, CMS halted the elimination of the IPO list and, after clinical review of the services removed from the IPO list in CY 2021 as part of the first phase of eliminating the IPO list used the five codified criteria, CMS returned most of the services back to the list beginning in CY 2022.

OPPS Payment for Software as a Service

In CY 2018, HeartFlow was the first other Software as a Service (SaaS) procedure for which CMS made separate payment under the OPPS. Since then, there have been several SaaS products that CMS has made payment for. From 2021 to 2022, CMS has reviewed and approved New Technology applications for the LiverMultiScan, Optellum, and QMRCP SaaS procedures. CMS proposes not to recognize the select CPT add-on codes that describe SaaS procedures under the OPPS. CMS proposes to instead establish HCPCS codes, specifically, C-codes, to describe the add-on codes as standalone services that would be billed with the associated imaging service. CMS believes the payment for the proposed C-codes describing the SaaS procedures with add-on CPT codes, when billed concurrent with the acquisition of the images, should be equal to the payment for the SaaS procedures when the services are furnished without imaging and described by the standalone CPT code because the SaaS procedure is the same regardless of whether it is furnished with or without the imaging service.

CMS is soliciting public comment on a payment approach that would broadly apply to SaaS procedures:

- How to identify services that should be separately recognized as an analysis distinct from both the underlying imaging test or the professional service paid under the PFS;
- How to identify costs associated with these kinds of services;
- How these services might be available and paid for in other settings (physician offices for example); and
- How CMS should consider payment strategies for these services across settings of care.

Additionally, CMS is seeking comment on the specific payment approach they may use for these services under the OPPS as SaaS-type technology becomes more widespread across healthcare which are not limited to imaging service.

Request for Information on Use of CMS Data to Drive Competition in Healthcare Marketplaces

On July 9, 2021, the President issued an Executive Order on Promoting Competition in the American Economy (EO 14036). In response to the EO 14036's call for a "whole-of-government approach" to address excessive concentration, abuses of market power, unfair competition, and the effects of monopoly and monopsony, CMS is seeking information from the public on how data that CMS collects could be used to promote competition across the health care system or protect the public from the harmful effects of consolidation within healthcare.

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