

INSIGHTS FROM THE BDO CENTER FOR HEALTHCARE EXCELLENCE & INNOVATION

CMS FINALIZES 2022 RULE FOR AMBULATORY SURGERY CENTERS

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Each year, the Centers for Medicare & Medicaid Services (CMS) publishes the proposed and final rules, updating Medicare payment regulations and rates. The final rule for Ambulatory Surgery Centers (ASCs) was released on November 2, 2021.

UPDATES TO ASC PAYMENT RATES

For 2022, CMS is updating ASC payment rates by 2% for centers that meet applicable quality reporting requirements. Per the CY2019 ASC rule, CMS will apply the hospital market basket update to ASC payment system rates for an interim period of five years (CY2019 through CY 2023).

ASC QUALITY MEASURES

CMS is adopting a health care personnel Covid-19 vaccination measure.

CHANGES TO ASC COVERED PROCEDURE LIST

CMS is reinstating its 2020 criteria for adding procedures to the ASC covered procedures list. CMS is keeping six procedures — three that were already ASC covered procedures and three proposed for removal but are being retained:

- ▶ **0499T:** Cystourethroscopy, with mechanical dilation and urethral therapeutic drug delivery for urethral stricture or stenosis, including fluoroscopy, when performed
- ▶ **54650:** Orchiopexy, abdominal approach, for intra-abdominal testis
- ▶ **60512:** Parathyroid auto transplantation

Beginning in March 2022, a process will be adopted to allow an external party – particularly specialty societies that are familiar with procedures in their specialty – to nominate a procedure to be added to the ASC covered procedure list. If CMS agrees, it will add the procedure to the list for 1/1/2023.

CMS RESTORES THE IPO LIST

One of the biggest surprises in this year's rule is CMS' decision to keep the Medicare Inpatient Only (IPO) list. For years, CMS has been trying to transition more care to the outpatient setting, gradually identifying a handful or more procedures that it would take off the IPO list each year. Last year, CMS finalized a dramatic proposal that would eliminate the entire IPO list by 2024. This year, CMS is reversing the 2021 list change, adding back most services they removed in 2021 to the IPO list beginning January 1, 2022.

PAYMENT FOR NON-OPIOID PAIN MANAGEMENT DRUGS AND BIOLOGICALS

A non-opioid pain management drug or biological that functions as a surgical supply in the ASC setting will be eligible for separate payment when such product is FDA approved, FDA indicated for pain management or as an analgesic, and has a per-day cost above the Outpatient Prospective Payment System (OPPS) drug packaging threshold.

RATE SETTING DUE TO THE PUBLIC HEALTH EMERGENCY (PHE)

Ordinarily, the best available claims data is the most recent set of data, which would be from two years prior to the calendar year. However, due to the number of Covid-19 PHE-related factors, CMS believe the CY2020 data are not the best overall approximation of expected services. Instead, CMS used CY2019 data to set the CY2022 ASC payment system rates.

Comparison of Select ASC vs OPSS Reimbursements for 2022*

See below table for a comparison of the top 25 procedures performed in an ASC setting. This table compares the April 2021 payment rate to new January 2022 rates along with the 2022 Outpatient Prospective Payment System (OPSS) payment rate.

TOP PROCEDURES PERFORMED AT AMBULATORY SURGERY CENTERS

HCPCS/ CPT Code	HCPCS DESCRIPTION	2022 Jan ASC Payment Rate *	% Increase in 2022	2022 Jan OPSS Payment Rate *	2022 OPSS % of ASC
66984	Extracapsular Cataract Removal W/ Insertion Of Io Lens Prosthesis	\$ 1,063	2.3%	\$ 2,121	99%
63685	Insrt/Redo Spine N Generator	\$ 24,424	2.2%	\$ 30,063	23%
45385	Colonoscopy W/Lesion Removal	\$ 537	2.5%	\$ 1,059	97%
45380	Colonoscopy And Biopsy	\$ 537	2.5%	\$ 1,059	97%
63650	Implant Neuroelectrodes	\$ 4,571	2.2%	\$ 6,295	38%
43239	Egd Biopsy Single/Multiple	\$ 419	2.4%	\$ 826	97%
64483	Inj Foramen Epidural L/S	\$ 426	2.6%	\$ 841	97%
66982	Complex Removal Of Cataract With Insertion Of Lens	\$ 1,063	2.3%	\$ 2,121	99%
64635	Destroy Lumb/Sac Facet Jnt	\$ 826	2.6%	\$ 1,793	117%
66821	After Cataract Laser Surgery	\$ 261	2.4%	\$ 514	97%
64493	Inj Paravert F Jnt L/S 1 Lev	\$ 426	2.6%	\$ 841	97%
29827	Arthrosop Rotator Cuff Repr	\$ 3,001	2.5%	\$ 6,397	113%
64590	Insrt/Redo Pn/Gastr Stimul	\$ 18,433	2.2%	\$ 20,913	13%
62323	Njx Interlaminar Lmbr/Sac	\$ 329	2.6%	\$ 649	97%
36902	Intro Cath Dialysis Circuit	\$ 2,208	2.4%	\$ 5,062	129%
G0105	Colorectal Scrn; Hi Risk Ind	\$ 411	2.5%	\$ 810	97%
C9740	Cysto Impl 4 Or More	\$ 7,196	2.1%	\$ 8,429	17%
G0121	Colon Ca Scrn Not Hi Rsk Ind	\$ 411	2.5%	\$ 810	97%
45378	Diagnostic Colonoscopy	\$ 411	2.5%	\$ 810	97%
15823	Revision Of Upper Eyelid	\$ 887	2.3%	\$ 1,749	97%
64721	Carpal Tunnel Surgery	\$ 826	2.6%	\$ 1,793	117%
22869	Insj Stablj Dev W/O Dcmprn	\$ 10,482	2.3%	\$ 12,593	20%
29881	Knee Arthroscopy/Surgery	\$ 1,362	2.5%	\$ 2,892	112%

* Before wage index adjustment

Key Takeaways

- ▶ ASCs should continue to see an annual 2-2.5% increase from Medicare at least through 2023. Although rate increases are welcome, the 2% increase does not keep pace with medical cost inflation.
- ▶ A transparent process to add procedures the ASC payable list is a welcome enhancement.
- ▶ ASCs will see volume and market share enhancements as procedures are shifted to the ASC setting, but a bit slower now that the Inpatient Only List (IOL) elimination was reversed.

Contact

To learn more about how these changes will affect your practice, contact us.

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