

## IMPORTANT ADVOCACY UPDATE- CMS Final Rule for 2019

### **Top Line Summary for SVU Members**

The following is a top-line technical summary and analysis for SVU members of the Final Rule from the Centers for Medicare & Medicaid Services (CMS) regarding Revisions to Payment Policies under the Physician Fee Schedule (PFS) and Other Revisions to Part B for CY 2019 (the PFS Final Rule). The advance copies of the PFS and HOPPS final rules [can be found here for your reference](#). There is also a chart that compares the CY 2018 and final CY 2019 payment rates for PFS and HOPPS.

- **Final Payment Rates, Proposed Updates to Supply and Equipment Pricing.** Most importantly, CMS has decided not to finalize the updated supply and equipment prices for CY 2019 for both the ultrasound room general and the vascular ultrasound room. Pricing for those two items will remain the same for CY 19. With the exception of the ultrasound codes and select others, CMS is proceeding with the four year phase-in implementation of the updated equipment and supply pricing, noting that, in the Agency's view, delay would not lead to more accurate pricing. CMS acknowledges that the decision not to finalize the updated pricing for the ultrasound rooms and other select items is the result of comments received during this rulemaking ("After an extensive review and validation process, we updated our recommended prices for a number of supply and equipment codes.") CMS notes that "additional information is required" for these select items and that the Agency "will continue to use the current CMS price for these supply and equipment items pending additional research and analysis." CMS invites the submission of updated pricing information for these select codes through submission of valid invoices.

In its review of public comments, the Agency observes that "many commenters were concerned with the transparency of the data used to calculate medical equipment and supply prices." CMS does not actually address the lack of transparency in the data sources used by the CMS contractor in its analysis, but rather notes that the proprietary database used is "one of the few sources of typical discounted price data available."

- **Conversion Factor**. The finalized conversion PFS conversion factor is \$36.0391, a slight increase above the 2018 PFS conversion factor of \$35.9903.
- **Clinical Labor Direct PE Inputs**. CMS notes that it will consider comments received in response to a request regarding whether the Agency should update the clinical labor wages used in developing PE RVUs in future calendar years during the four-year pricing transition for supplies and equipment.

Again, the advance copies of the PFS and HOPPS final rules [can be found here for your reference](#). See in particular pages 72-97 of the PFS final rule for discussion of the equipment and supply pricing proposal. There is also find a chart that compares the CY 2018 and final CY 2019 payment rates for PFS and HOPPS.

If you have any questions, please reach out to me via response to my SVU Advocacy Blog post on this matter.

Thank you for contributions to our advocacy success again this year through your SVU membership. Your membership dues and additional contributions pay off for all of us.

Kelly Byrnes  
Chair, SVU Advocacy Committee