Medicare should pay for telehealth list services after pandemic

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What’s the news: The AMA has weighed in with more than 100 pages of comments on the proposed 2022 Medicare physician payment schedule. The comments come with doctors eager to see extended coverage of telehealth amid a COVID-19 pandemic that has cut practice revenues. That income drop comes ahead of the combined 9.75% reduction in Medicare physician pay that will start Jan. 1 unless Congress takes action.

Here are some highlights from the AMA’s letter to Centers for Medicare & Medicaid Services (CMS) Administrator Chiquita Brooks-LaSure.

In terms of calendar-year updates to the Medicare physician payment schedule, the AMA:

- Agrees with CMS that the U.S. Bureau of Labor Statistics wage data continues to be the most accurate source for clinical labor pricing. But CMS should make sure that information is up to date and use the most recent year of available BLS data to determine clinical labor costs. A four-year transition to the updated labor pricing is reasonable in light of significant impacts of this change. In addition, increases in medical practice costs should be reflected in conversion-factor updates.

- Strongly supports the proposal to extend coverage of services that were added to the Medicare telehealth list on an interim basis in response to the COVID-19 public health emergency (PHE) until the end of 2023 and urges that it be finalized. The AMA also recommends that the additional services added to the telehealth list during the COVID-19 PHE—particularly the Current Procedural Terminology (CPT®) codes for telephone evaluation and management services (99441–99443)—be included in the category of services that are proposed to remain on the telehealth list through 2023.

- Applauds CMS’ proposal to expand the definition of telecommunications system for purposes of telehealth services to include audio-only communication technology for mental...
health services. CMS should leave the determination of when in-person care is necessary up to the discretion of the treating physician.

Continues to oppose CMS' decision not to incorporate the revised office and outpatient E/M values in the global surgical codes and urges CMS to apply the office visit increases to the office visits included in surgical global payment, as CMS has done historically.

With regard to some other provisions of the proposed rule, the AMA:

Strongly supports the significant updates that CMS proposes to permanently update the Medicare Diabetes Prevention Program (MDPP), specifically the elimination of the year-two ongoing maintenance sessions, the redistribution of year-two payments to year one, and the waiver of the Medicare provider enrollment application fee. The AMA also recommends CMS to make an additional update to the MDPP by including virtual DPP providers permanently in the program.

Urges CMS to finalize its proposal to delay the penalty phase of the Appropriate Use Criteria (AUC) Program until Jan. 1, 2023, or the New Year’s Day following the end of the PHE—whichever is later. The AMA also urges CMS to reduce the burden of the AUC, particularly as the program has been superseded by the Quality Payment Program. Finally, CMS should not move to the penalty phase of AUC until the claims data show a vast majority of all applicable advanced diagnostic imaging claims would meet the requirements to be paid.

Why it’s important: The proposed rule comes at a critical juncture in the COVID-19 pandemic for patients—and for physician practices strained by surging caseloads, sluggish vaccination rates and financial hardships.

The AMA is “deeply concerned about the growing financial instability of physician practices due to the severe reduction in revenue caused by the COVID-19 PHE,” says the letter to CMS from AMA Executive Vice President and CEO James L. Madara, MD.

“The looming payment cuts facing physician practices at the end of this year, including cuts due to budget neutrality, must be addressed to ensure that practices can remain fiscally viable,” he wrote. “The AMA continues to urge CMS to work with Congress to address the budget-neutrality issue. CMS should exercise the full breadth and depth of its administrative authority to avert or, at a minimum, mitigate these unconscionable payment cuts.”
Learn more: The AMA’s detailed comments on the 2022 Medicare physician pay schedule hit on many other pressing issues for doctors such as the Merit-based Incentive Payment System’ Value Pathways.

The benefits of expanded telemedicine are clear. Join physicians who are advocating to permanently expand virtual care coverage.

Discover the AMA Telehealth Immersion Program and the “Return on Health” framework for telehealth. Find out why Congress must tackle Medicare pay, telehealth in reconciliation.