

NCDS *update*

A Billing Industry Newsletter for Clients

Keeping your office up-to-date on industry and insurance changes, late-breaking billing & reimbursement news, and general inter-office communication...

CMS FINAL RULE DELAYS CODING REFORMS THAT AFFECT PHYSICIAN PAYMENT

SUSAN MORSE – HEALTHCAREFINANCENEWS.COM

CMS is delaying for two years implementation of E/M coding reforms that affect physician payment, in a move applauded by the American Medical Association. The final 2019 physician fee schedule and quality payment program rule also includes updates on interoperability, telehealth and drug costs.

CMS originally talked about going to two E/M codes, and is now going to three codes, said CMS Administrator Seema Verma. Coding requirements for physician services for E/M visits have not been updated in 20 years, Verma said. For 2019 and 2020, CMS will continue the current coding and payment structure for E/M visits.

The AMA said it is grateful the administration is not moving forward in 2019 with the payment "collapse" of E/M codes. A two-year window for implementation of the proposal gives an AMA-convened work group of physicians and other health professionals time to make recommendations, AMA President Barbara L. McAneny said.

The rule reduces Medicare Part B drug prices by lowering the wholesale acquisition cost from 6% to 3%. The savings gets passed on to consumers, Verma said. Seniors will especially save money on drugs with high launch prices. The rule, which is part of President Trump's blueprint to lower prescription drug costs, takes effect on January 1, 2019.

Now in Year 3 of the quality payment program, CMS is advancing meaningful measures as part of the agency's implementation of MACRA. The rule updates the merit-based incentive payment system by giving physicians incentives that are directly tied to updating their EHR systems for patient access.

For the first time, Medicare will pay for remote and telehealth services, and also for remote patient monitoring under a home health rule released Wednesday, that is expected to save \$14.2 million. The rule eliminates the requirement to document the medical necessity of a home visit in lieu of an office visit.

The rule released Thursday follows through on CMS efforts to reduce physician administrative burden and burnout. CMS said it is finalizing several burden-reduction proposals immediately, effective January 1, 2019, where commenters provided overwhelming support.

NCDS Perspective: We first brought you this news in July and are excited to bring continuing developments as these changes unfold! This is an exciting development that reduces burdens on physicians, expands access to care and reduces prescription costs. A great win for patients and providers!

For more information on this article please visit:
<https://www.healthcarefinancenews.com/news/cms-final-rule-delays-coding-reforms-affect-physician-payment>

TRUMP ADMINISTRATION ISSUES PLAN TO PROMOTE HEALTHCARE COMPETITION: 7 NOTES

EMILY RAPPEYE – BECKERSHOSPITALREVIEW.COM

The Trump administration issued a 119-page manifesto Nov. 3 detailing more than 50 recommendations to promote choice and competition in the U.S. healthcare system. Here are seven things to know about the report:

It is a product of a working group comprising members of HHS and the Departments of Treasury and Labor. It was created as a response to the Oct. 12, 2017, executive order from President Donald Trump.



The report describes how stakeholders, laws and regulations affect the current state of healthcare competition, and outlines recommendations as below:

The first area is the healthcare workforce. Several key recommendations to promote competition and choice in this arena include broadening the scope of practice for practitioners like physician assistants and dental hygienists so they can be paid directly and require less supervision and providing better reimbursement for telehealth. It also includes enabling multistate medical licenses, and along with that, flexibility to provide telehealth across state lines.

The second area addresses provider markets. With recommendations that include repealing or scaling back state certificate-of-need statutes that limit building new hospitals, reducing restrictions on physician-owned hospitals and allowing the FTC to monitor nonprofit healthcare entities.

The third area is insurance markets with recommendations of scaling back the ACA's employer insurance mandates, expanding the use of health savings accounts (potentially to all Americans, including Medicare enrollees), promoting association health plans and short-term, limited-duration insurance plans as well as promoting Medicare Advantage plans and others that "encourage value, competition and choice."

The last area aims to make healthcare more consumer-focused and includes recommendations such as increasing price transparency and making it easier for patients to access their medical records.

The report was met with mixed reception from the hospital industry, particularly because it is so sweeping and many of the proposals are familiar. American Hospital Association Executive Vice President Tom Nickels said, "Based on our initial read, we are pleased by several of the proposals put forth in today's report, such as those to broaden providers' scope of practice and expand access to telehealth, which will improve access to care for patients." Both groups opposed lifting restrictions on physician-owned hospitals.

Please see the link below for the full article:

https://www.beckershospitalreview.com/hospital-management-administration/trump-administration-issues-plan-to-promote-healthcare-competition-7-notes.html?origin=bhre&utm_source=bhre

IN GRANDMA'S STOCKING: AN APPLE WATCH TO MONITOR FALLS, TRACK HEART RHYTHMS

RACHEL BLUTH – KAISER HEALTH NEWS

For more than a decade, the latest Apple products have been the annual must-have holiday gift for the tech-savvy. That raises the question: Is the newest Apple Watch on your list — either to give or receive — this year?



At first glance, the watch appears to be an ideal present for Apple's most familiar market: the hip early adopters. Its promotional website is full of svelte young people stretching into yoga poses, kickboxing and playing basketball. But when Apple unveiled its latest model in September — the Series 4, which starts at \$399 — it was clear it was expanding its target audience. This Apple Watch includes

new features designed to detect falls and heart problems. With descriptions like "part guardian, part guru" and "designed to improve your health ... and powerful enough to protect it," the tech giant signaled its move toward preventive health and a much wider demographic.

This watch could be a perfect present for those older people, said Laura Martin, a senior analyst with Needham. "People who wore watches their whole lives, plus fall monitoring?" Martin said. "Voilà! It creates another on-ramp for another consumer in the Apple ecosystem."

The fall-monitoring app uses sensors in the watchband, which are automatically enabled for people 65 and older after they input their age. These sensors track and record the user's movements, and note if the wearer's gait becomes unsteady. If a fall is detected, the watch sends its wearer a notification. If the wearer doesn't respond within a minute by tapping a button on the watch to deactivate this signal, emergency services will be alerted that the wearer needs help. That minute also gives the wearer time to prevent false alarms, such as a dropped watch. Many geriatricians and medical experts agree that this app could help older consumers. Falls can cause fractured hips and head injuries, but even fear of falling can prevent older people from living on their own or participating in activities. Fall deaths in the U.S. increased 30 percent for older adults in the past decade, and 3 million older people go to the emergency room for fall injuries each year, according to the Centers for Disease Control and Prevention.

Dr. Armin Shahrokni, an internist with Memorial Sloan Kettering Cancer Center who describes himself as "tech-savvy," is excited that older patients might get into wearable technology. "In older cancer patients, my area of expertise, all the chemo can make them fall more," he said, making detecting falls and balance important. The other app, the ECG monitoring app, also uses sensors in the wristband to monitor a patient's heartbeat and send alerts if it gets too fast or too slow. Specifically, the app is meant to detect atrial fibrillation, which is a type of arrhythmia, also described as a problem with the speed or rhythm of the heartbeat.

The watch represents the beginning of what analysts agree will be a wave of new health apps and wearable health trackers.

For the full story please visit the following:
<https://khn.org/news/apple-watch-health-apps-track-fitness-falls-heart-problems/>



AMA OFFERS FIRST NATIONAL ESTIMATE OF TELEMEDICINE USE BY PHYSICIANS

AMA-ASSN.ORG

WASHINGTON --- The American Medical Association (AMA) today presented the first nationally representative estimates on how many physicians use telemedicine, and what functions it serves in their practices. Based on a 2016 survey of patient care physicians from all corners of the medical profession, the results gauge the emergence of telemedicine and its integration into health care delivery. The AMA's benchmark telemedicine study was published in the December issue of *Health Affairs*.

"While regulatory and legislative changes have been implemented to encourage the use of telemedicine, there are no nationally representative estimates on its use by physicians across all medical specialties," said Carol K. Kane, study co-author and AMA director of economic and health policy research. "To fill this information gap, the AMA study surveyed 3,500 physicians to provide needed data that will help assess potential barriers and create strategies to promote telemedicine adoption." Key findings from the study include: **Overall Use of Telemedicine** - 15% of physicians worked in practices that used telemedicine for patient interactions and 11% of physicians worked in practices that used telemedicine for interactions with health care professionals.

Telemedicine Use by Specialty Broken Down - 39.5 % were Radiologists, 27.8% were Psychiatrists, 24.1% were Cardiologists and 6.1% - 23% were Other Specialties (combined).

Telemedicine Use by Modality - Videoconferencing was the telemedicine modality with the most widespread use. Videoconferencing was utilized in the practices of 12.6% of physicians and most common among emergency medicine physicians (31.6%), psychiatrists (25.8%), and pathologists (24.1%).

Physicians in smaller medical practices and physician-owned medical practices had a lower rate of telemedicine use than physicians in larger medical practices and ones that were not physician-owned. The findings suggest the financial burden of implementing telemedicine may be a continuing barrier, especially for that segment of practices. The AMA is committed to making technology an asset, not a burden, and continues to invest in resources that provide physicians with a proven path for integrating telemedicine and digital health technologies into patient care.

<https://www.ama-assn.org/press-center/press-releases/ama-offers-first-national-estimate-telemedicine-use-physicians>

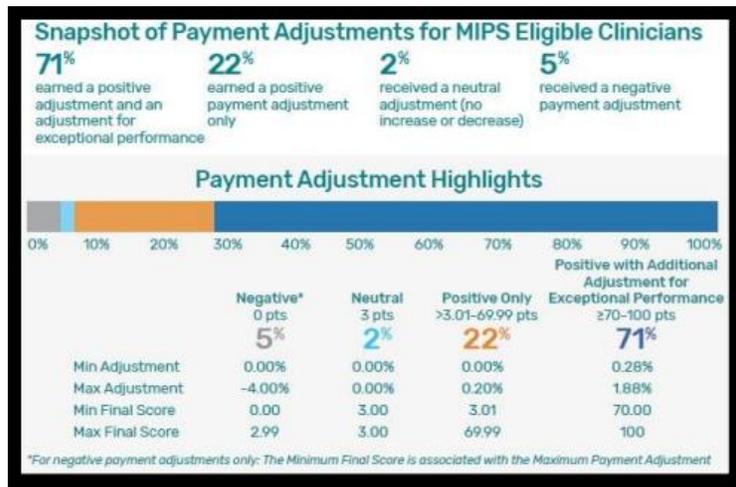


**ICD-10
HOLIDAY
HUMOR –
V80.12 – ANIMAL
DRAWN VEHICLE
COLLISION WITH
PEDESTRIAN**

**CODING FOR
GRANDMA GOT RAN OVER BY A
REINDEER!**

MIPS PERFORMANCE RESULTS

CMS has released information about overall MIPS performance for the 2017 reporting year. Below is a brief summary regarding payments, performance and results.



FITCH: INSURERS' STRONG OPERATING PERFORMANCE DRIVES STABLE OUTLOOK FOR 2019

MORGAN HAEFNER — BECKERSHOSPITALREVIEW.COM

Fitch Ratings assigned the health insurance and managed care sector a stable outlook for 2019, here are five things to know:

1. The ratings agency expects the sector's strong operating performance will continue from 2018 into next year. Robust economic and employment conditions, as well as a moderate medical cost trend, are driving the strong results, according to Fitch.
 2. In addition, CMS' decision to improve reimbursement rates for 2019 could drive growth for Medicare Advantage programs, according to Fitch.

3. The sector's medical loss ratio could be adversely affected by the moratorium on the health insurance fee for 2019; however, Fitch predicts that overall operating margins will not be largely affected.

4. Fitch expects health insurers' debt service metrics will be adversely affected by debt issued to fund major mergers and acquisitions in 2018, such as CVS Health's \$70 billion takeover of Aetna and Cigna's impending acquisition of Express Scripts.

"While additional significant deals are certainly possible in 2019, Fitch expects activity over the next year to focus primarily on buildout of care delivery opportunities in various regions," the agency said. "Fitch believes that consolidation activity is a primary uncertainty for the sector heading into 2019."

5. For insurers selling plans on the ACA exchanges, Fitch anticipates their operating performance may weaken in coming years after largely stabilizing in 2018. The ratings agency said the elimination of the ACA's individual mandate in 2019 could result in adverse selection and hamper affordability.

For more information on this article please visit: <https://www.beckershospitalreview.com/payer-issues/fitch-insurers-strong-operating-performance-drives-stable-outlook-for-2019.html>

JUSTICE DEPARTMENT REPORTEDLY CLOSE TO APPROVING CVS-AETNA, CIGNA-EXPRESS SCRIPTS DEALS

ANGELICA LAVITO — CNBC.COM

The Department of Justice is close to approving CVS Health's acquisition of Aetna and Cigna's acquisition of Express Scripts, The Wall Street Journal reported Wednesday, citing people familiar with the matter.

Both deals could receive formal antitrust approval as soon as the next few weeks, the people told the Journal. Regulators will require CVS and Aetna to sell off

assets related to its Medicare drug coverage in order to appease competitive concerns surrounding the nearly \$70 billion deal, people



familiar with the deliberations told The Wall Street Journal. One potential buyer in talks for the assets is WellCare Health Plans, though discussions between CVS, Aetna

and the Justice Department are still ongoing, people told the paper.

A CVS spokeswoman pointed to comments CVS CEO Larry Merlome last month on a call with Wall Street analysts. He said the company "contemplated a range of possibilities" in the Medicare Part D business, where both CVS and Aetna offer plans. He said they "determined the impact of any divestitures would not be material to the deal model." An Aetna spokesman said the company does not have comment.



EXPRESS
SCRIPTS

Meanwhile, Cigna's \$54 billion acquisition of Express Scripts could be approved without any asset sales, people familiar with the deal review told the Journal. An Express Scripts spokesman said the company continues "to constructively work with the Department of Justice" and remains "confident the deal will close by the end of the year."

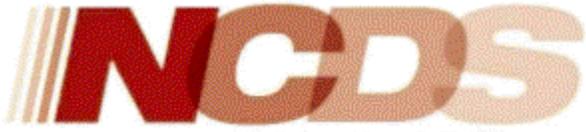
A Cigna spokesperson said the company continues to "work cooperatively with the

DOJ and the states to discuss the many benefits of the Express Scripts transaction and remains confident that the merger will close by year-end 2018." The Justice Department declined to comment.



NCDS Perspective: We first brought you this story in January of 2018 and are cautiously following the completion of the acquisition. Mergers of giant insurance companies have traditionally been blocked for anti-monopoly purposes but these two mergers have successfully navigated those waters. We will wait to see what the final outcome is with these mergers and hope for the best results for patients and providers. Please continue to watch the NCDS Newsletter for updates on this and other related issues.

Please visit the following for more on this story: <https://www.cnbc.com/2018/09/05/justice-department-reportedly-close-to-approving-cvs-aetna-cigna-express-scripts-deals.html>



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7550 LUCERNE DRIVE SUITE 405

MIDDLEBURG, HTS., OH 44130-6503

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