# Interpreting CMS 2024 Physician Fee Schedule Final Rule for Rural Health Clinics

Dan Godla, Founder & CEO, ThoroughCare

# Disclaimer

- This is our interpretation of these rules.
- Please consult your own experts and legal team.
- Most experts will agree that there are some “gray areas” in which CMS has not provided guidance
- CMS can issue guidance at any time.
- Reimbursement rates are based on a national average and may vary depending on your location.
- Check the Physician Fee Schedule for the latest information:

https://www.cms.gov/medicare/physician-fee-schedule/search/license-agreement?destination=/medicare/physician-fee-schedule/search%3F

# Agenda

- Introduction
- CMS Releases Final Rule for 2024
- A history of Care Management Programs for RHCs / FQHC
- Changes to Rates and Reimbursements
- New FFS Programs for 2024
- Changes to General Care Management
- Our recommendation for 2024
- Summary of the 2024 changes
- Q&A

# About Dan Godla and ThoroughCare

Dan Godla is the Founder and CEO of ThoroughCare, Inc. Dan founded ThoroughCare in 2013 by creating an intuitive software platform to enhance Chronic Care Management (CCM). As an entrepreneur and Healthcare IT leader, Dan takes a creative hands-on approach to identifying and developing solutions to help improve patient care and achieve value-based care success. Dan is a Certified Scrum Product Owner (CSPO) and Six Sigma Green Belt. He holds a BS in Management Information Systems from Penn State University and a Master of Science in Management Technologies from California University of Pennsylvania.

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ThoroughCare provides digital care coordination solutions to over 700 care delivery organizations throughout the United States. ThoroughCare's comprehensive care coordination, analytics, and mobile applications are designed to enable personalized health experiences, streamline value-based care delivery, and help identify the next best actions at critical moments.

Learn more about ThoroughCare at www.thoroughcare.net

# *The CMS Final Rule for 2024*

# CMS 2024 Physician Fee Schedule Final Rule

This document is scheduled to be published in the Federal Register on 11/16/2023 and available online at https://federalregister.gov/d/2023-24184, and on https://govinfo.gov

[Billing Code: 4120-01-P]

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Centers for Medicare & Medicaid Services**

**42 CFR Parts 405, 410, 411, 414, 415, 418, 422, 423, 424, 425, 455, 489, 491, 495, 498, and 600**

**CMS-1784-F**

**RIN 0938-AV07**

**Medicare and Medicaid Programs; CY 2024 Payment Policies under the Physician Fee Schedule and Other Changes to Part B Payment and Coverage Policies; Medicare Shared Savings Program Requirements; Medicare Advantage; Medicare and Medicaid Provider and Supplier Enrollment Policies; and Basic Health Program**

**AGENCY:** Centers for Medicare & Medicaid Services (CMS), Health and Human Services (HHS).

**ACTION:** Final rule.

**SUMMARY:** This major final rule addresses: changes to the physician fee schedule (PFS); other changes to Medicare Part B payment policies to ensure that payment systems are updated to reflect changes in medical practice, relative value of services, and changes in the statute; payment for dental services inextricably linked to specific covered medical services; Medicare Shared Savings Program requirements; updates to the Quality Payment Program; Medicare coverage of opioid use disorder services furnished by opioid treatment programs; updates to certain Medicare and Medicaid provider and supplier enrollment policies, electronic prescribing for controlled substances for a covered Part D drug under a prescription drug plan or an MA-PD

https://public-inspection.federalregister.gov/2023-24184.pdf

- Proposed rule released in early July each year
- Comment period (60 days)
- Final rule Issued on November 2nd
- Went into effect Jan 1st, 2024
- 2,709 pages

ThoroughCare

# *A History of Care Management Programs for RHCs and FQHCs*

# 2015: Medicare Launches Chronic Care Management Program

- CCM Program Launched by Medicare
- Reimbursement:  CPT 99490 = approximately $42 per CCM
- Written Consent Required
- RHCs and FQHCs prohibited

2015 2016 2017 2018 2019 2020 2021 2022

# 2016: RHC and FQHC Participation Enabled Among Tighter Restrictions

- **RHCs and FQHCs allowed to participate**
- Significantly tighter restrictions in place
  - 3rd-party groups COULD NOT assist with CCM
  - Practices required to provide 24/7 access to care directly from the provider or direct staff

2015 2016 2017 2018 2019 2020 2021 2022

# 2017: RHC and FQHC Restrictions Removed and New FFS Tiers Introduced

RHCs and FQHCs restrictions removed

- Now operate under “General Supervision”
- 24/7 Care not mandatory “in-house”
- Office visit (E/M) not required to initiate CCM
- Verbal Consent Allowed

FFS offered new Reimbursement tiers for over 60 minutes and each 30+ minutes afterwards

- 99490 for 20-minute CCMs (pays approx. $42)
- 99487 for 60-minute CCMs (pays approx. $90)
- 99489 for 30+ minutes of CCM (pays approx. $45)

New Tiers not available to RHCs and FQHCs

# RHCs and FQHCs Propose Payment Equity

"The NARHC argued to CMS that it was unfair to limit RHCs (and FQHCs) to the 20-minute CCM code while their FFS peers could bill for 60-minute and add-on CCM codes.

CMS agreed and the conversation turned to how to create that payment equity. We initially proposed that CMS allow RHCs to bill the various levels and receive payment accordingly. However, CMS wanted there to only be one RHC CCM payment for sake of simplicity."

– Nathan Baugh / NARHC

# 2018: New Codes and Payment Structure for RHCs and FQHCs

- **New code created for RHCs and FQHCs**
  - G0511: Pays $62 for any CCM 20 + minutes
- FFS tier structure remains constant
  - 99490 for 20-minute CCMs (pays approx. $42)
  - 99487 for 60-minute CCMs (pays approx. $90)
  - 99489 for 30+ minutes of CCM (pays approx. $45)

"We sought to develop a methodology for payment of care management services that is consistent with the RHC and FQHC payment principles of bundling services and not paying for services based on time increments" - CMS

2015 2016 2017 **2018** 2019 2020 2021 2022

# 2019: FFS Updated and Remote Patient Monitoring (RPM) Codes Significantly Enhanced

New code created for FFS:

- 30-minutes of Provider time in CCM: 99491 = $74.26
- RHCs and FQHCs unable to utilize the new 99491 code
  - However, its rate is taken into consideration in determining the value of G0511.
  - Increasing the reimbursement from $62 to $67 for G0511 beginning in January 2019

RPM requirements improved with three new CMS Codes:

- 99453 (Pays $21): RPM: initial set-up and education on the use of equipment
- 99454 (Pays $65): RPM: monitoring the daily recording(s) or programmed alert(s) transmission, each 30 days.
- 99457 (Pays $54): Remote physiologic monitoring treatment management services, 20 + mins of clinical staff time in a calendar month requiring interactive communication with the patient/caregiver during the month

2015 2016 2017 2018 **2019** 2020 2021 2022



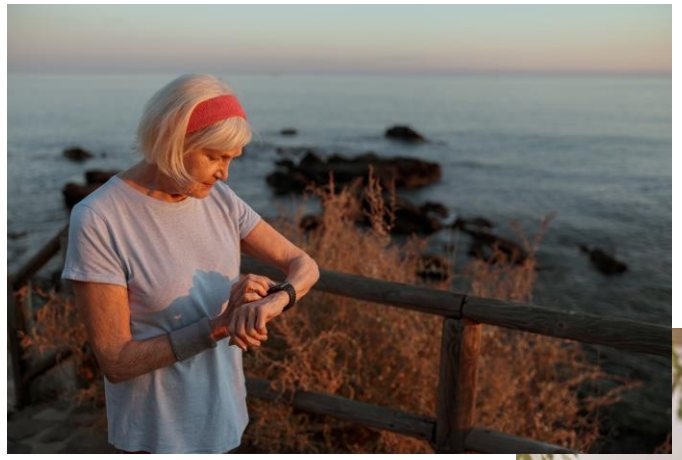
https://www.natlawreview.com/article/medicare-remote-patient-monitoring-reimbursement-faqs-everything-you-need-to-know

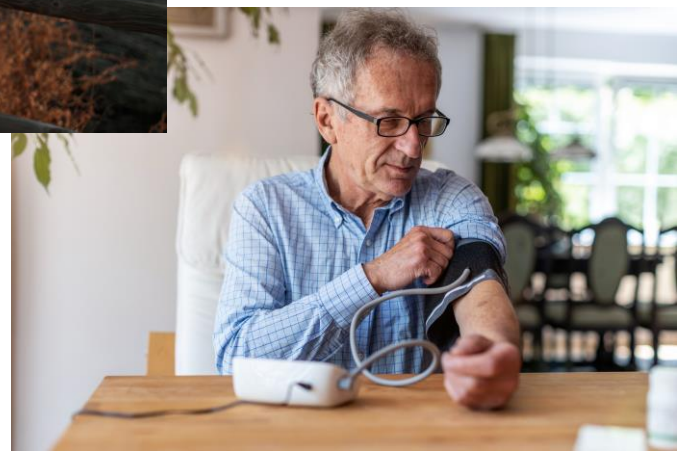
# 2020: New CCM Code Enables Additional Billing Time

- FFS: New CCM Code (G2058) for 20 additional minutes of CCM time, provides ability to bill at 40 minutes of CCM time.
  - 20-minute mark: use 99490 standalone as usual
  - 40-minute mark: use 99490 w/G2058
  - 60-minute mark: use 99490 w/ G2058 (x 2)
- This allows practices to bill for 60 minutes of CCM time for "non-complex" patients. You can continue to use the Complex 60-minute codes (99487) for your complex patients.
- The "non-complex" 60-minute option may pay more, and anticipate more practices choosing this option with the new add on codes
  - PCM added: G2064 and G2065

2015 2016 2017 2018 2019 **2020** 2021 2022

# 2021: Primarily RPM Focused





- FFS: Most of the changes were for RPM
  - Further clarification of some of the requirements
  - Still not available for RHCs
  - CCM renamed G2058 to 99439
  - CCM can be billed concurrently with TCM

"We urge CMS to either re-define an RHC visit to include RPM and RTM services (as was done with mental health services provided via telehealth) or to create a separate G-code to allow RHCs to bill for RPM and RTM services as was done with G0071 (Virtual Care Communication) and G0511 (Chronic Care Management)." – Nathan Baugh / NARHC

2015 2016 2017 2018 2019 2020 2021 2022

# 2022: CCM Reimbursements on the Rise

- FFS: CCM now provides several higher reimbursement rates
  - Expanded Billing Codes for Principal Care Management
  - Increase in G0511 from $67 to $76
- Slight rate decrease for RPM
- Still not available to RHCs/FQHCs

2015 2016 2017 2018 2019 2020 2021 2022

# 2023: New Programs Created for FFS

- FFS: New RTM Program Created
  - But not available to RHCs/FQHCs
- New programs added to mix of G0511:
  - Chronic Pain Management
  - General BHI
- G0511 pays $77.24 in 2023
- RPM and RTM Still not available for RHCs/FQHCs

2015 2016 2017 2018 2019 2020 2021 2022 2023

# *Changes to Rates and Reimbursements*

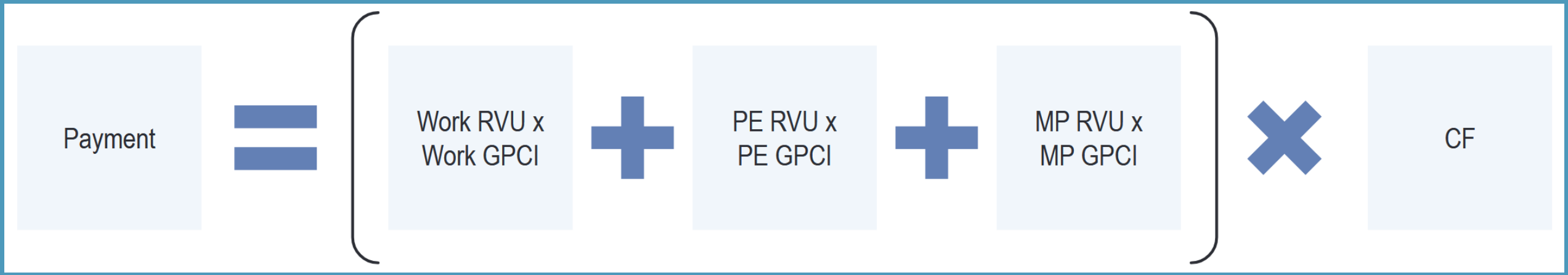
# Conversion Factor Changes for 2024

## Lower Conversion Factor for 2024

- 2022: $34.61
- 2023: $33.89
- **2024: $32.74**
- Decrease of $1.15 or **3.4**%
- However:
  - *Congress has the power to delay changes to conversion factor reductions. They've done this in previous years. Stay tuned…*

# Calculating Payment

## Medicare PFS Payment Rates Formula



# 2024 Medicare Non-Facility Reimbursement

## CCM, AWV, and BHI

| 2024 Chronic Care Management (CCM) | | | |
|---|---|---|---|
| **Program** | **Code** | **Average Reimbursement** | **2023 diff.** |
| 20 minutes per month | 99490 | **$61.57** | -$1.12 |
| 20 additional minutes per month (limit 2) | 99439 | **$47.16** | -$0.28 |
| 60 minutes per month, complex | 99487 | **$131.97** | -$1.21 |
| 30 additional minutes per month, complex (no limit) | 99489 | **$71.06** | $0.57 |
| 30 minutes of provider time | 99491 | **$83.18** | -$1.88 |
| 30 additional minutes of provider time (no limit) | 99437 | **$58.62** | -$1.36 |
| 20 minutes per month (RHC and FQHC, no limit) | G0511 | **$71.68** | -$6.26 |

| 2024 Annual Wellness Visit (AWV) | | | |
|---|---|---|---|
| **Program** | **Code** | **Average Reimbursement** | **2023 diff.** |
| Initial Preventive Physical Examination (IPPE) | G0402 | **$163.08** | -$3.65 |
| Initial Annual Wellness Visit (IAWV) | G0438 | **$162.76** | -$3.63 |
| Subsequent Annual Wellness Visit (SAWV) | G0439 | **$128.02** | -$2.11 |
| Advance Care Planning (ACP) | 99497 | **$80.56** | -$2.46 |

| 2024 Behavioral Health Integration (BHI) | | | |
|---|---|---|---|
| **Program** | **Code** | **Average Reimbursement** | |
| 20 minutes per month | 99484 | **$54.03** | $10.99 |
| 20 minutes per month (RHC and FQHC) | G0511 | **$71.68** | -$6.26 |

- Programs down slightly across the board for 2024
- Many decreases are around $1 - $3

# 2024 Medicare Non-Facility Reimbursement

## PCM, RPM/RTM, and TCM

| 2024 Principle Care Management (PCM) | | | |
|---|---|---|---|
| **Program** | **Code** | **Average Reimbursement** | 2023 diff. |
| 30 Provider minutes per month | 99424 | **$81.21** | -$0.12 |
| 30 additional Provider minutes per month (no limit) | 99425 | **$58.95** | $0.66 |
| 30 Clinician minutes per month | 99426 | **$60.91** | -$0.43 |
| 30 additional Clinician minutes per month (no limit) | 99427 | **$46.50** | -$0.94 |

| 2024 Remote Patient Monitoring (RPM) | | | |
|---|---|---|---|
| **Program** | **Code** | **Average Reimbursement** | |
| 20 minutes per month | 99457 | **$48.14** | -$0.66 |
| 20 Additional minutes per month (no limit) | 99458 | **$38.64** | -$1.01 |
| Monthly Monitoring of Provided Device(s) (16 Days) | 99454 | **$46.50** | -$3.65 |
| Initial Setup of provided device | 99453 | **$19.65** | $0.33 |

| 2024 Transitional Care Management (TCM) | | | |
|---|---|---|---|
| **Program** | **Code** | **Average Reimbursement** | |
| Moderate medical complexity | 99495 | **$203.36** | -$2.00 |
| High medical complexity | 99496 | **$275.08** | -$3.13 |

- Minor cuts across many RPM and RTM
- RPM Device code drops $3.65

*G0511 Rate for 2024:*

***$71.68***

# *New FFS Programs for 2024*

# Community Health Integration(CHI) – New for 2024

## What is CHI?

- A new bundled payment designed to address **Social Determinants of Health (SDoH)** for community health patients:
  - Conduct a person-centered assessment to understand patient's life story, strengths, needs, goals, preferences and desired outcomes, including understanding cultural and linguistic factors
  - Facilitate patient-driven goal-setting and establishing an action plan
  - Development, implementation, revision, and/or maintenance of a person-centered care plan that includes strengths, goals, clinical needs, and desired outcomes
  - Coordinate care transitions
  - Facilitate access to community-based social services
  - Provide Health education and health system navigation services
- SDoH includes but is not limited to food insecurity, transportation insecurity, housing insecurity, and unreliable access to public utilities which may limit the practitioner's ability to diagnose or treat the patient's problems.

# Principal Illness Navigation (PIN) – New for 2024

## What is PIN?

- A new bundled payment designed to manage one serious, high-risk condition under the following activities:
  - Person-centered assessment, performed to better understand the individual context of the serious, high-risk condition
  - Identify or refer patient (and caregiver or family, if applicable) to appropriate supportive services
  - Identify appropriate supporting services such as home care or community-based care coordination
  - Provide health education to contextualize the patient's treatment plan, needs, goals and preferences
  - Build patient self-advocacy skills so the patient can interact with members of their care team
  - Assist the patient with navigating the health system to secure appointments and appropriate services
  - Facilitate behavioral change as necessary
  - Provide support, mentorship, or inspiration to meet treatment goals
- Patients must have:
  - One serious, high-risk condition expected to last at least 3 months and places the patient at significant risk of hospitalization, nursing home placement, acute exacerbation/decompensation, functional decline, or death

# *Changes to **General Care Management***

# G0511: General Care Management

***2023 Recipe***

**Ingredients**:

- 99490
- 99439
- 99487
- 99491
- 99437
- 99424
- 99425
- 99426
- 99427
- 99484
- G3002
- G3003

**Limit: One Serving per person**

*How can G0511 be improved?*

***CMS Asked for feedback in July***

# ThoroughCare's Letter to CMS

RE: Comments to CY 2024 Payment Policies under the Physician Fee Schedule and Other Changes to Part B Payment and Coverage Policies; Medicare Shared Savings Program Requirements; Medicare Advantage; Medicare and Medicaid Provider and Supplier Enrollment Policies; and Basic Health Program (CMS-1784-P).

Dear Secretary Xavier and Administrator Chiquita:

My name is Dan Godla. I am the CEO of ThoroughCare, Inc. We are a Pittsburgh-based Care Management Software company representing 600+ clinics across the United States. I want to take this opportunity to provide feedback on proposed revisions to the CY 2024 PFS (The "Proposed Rule") based on my experience in the healthcare industry and with discussions with the clinics that we work with.

The clinics that we work with manage a large number of Medicare patients. These clinics receive tremendous value in the programs that CMS makes available to them. Our clinics utilize Chronic Care Management, Remote Patient Monitoring, and other programs in that family.

# ThoroughCare's Proposals for RHCs and FQHC Reimbursements

## Comment #1: Proposed changes to RHC and FQHC Reimbursement

**We urge CMS to expand reimbursement opportunities for RHCs and FQCHs beyond one all-inclusive code, G0511.**

We disagree with the proposal of a new weighted average since it would still discourage groups to manage multiple programs once 20-minutes of time is reached.

We realize that because these groups already have an All Inclusive Rate (AIR), G0511 was created as a way to allow these clinics to offer care management services outside of their AIR. We appreciate CMS' efforts to continue expanding the number of programs under G0511, but are concerned that unless these are broken out individually, groups will have no incentive to offer additional services to their patients under G0511.

We greatly value CMS' request for feedback and exploring the ideal reimbursement model for this growing set of codes.

We would like to offer two alternative suggestions that will address this issue:

1. We believe the ideal long term solution is for RHCs and FQHCs to bill these programs in the same manner as fee-for-service clinics using the same individual CPT codes (ex: 99454, 99457 99091, 98976, 98977, 98980, 99424, 99426. 99484, 99487, 99490, 99491). This would be the most equitable way to encourage these groups to offer more of these valuable services to their patients. This would not be unprecedented since these groups are already permitted to bill for lab services in this same manner.

2. A secondary alternative would be to expand G0511 by adding 2 additional codes.
   - G0511: General Care Management - Initial 20 minutes
   - G05xx: General Care Management - Additional 20 minutes
   - G05yy: General Care Management - Device monitoring each 30 days

*So…..*

*What did CMS Decide to do for 2024?*

# G0511: General Care Management

***2024 Recipe***

**Ingredients**:

- 99490
- 99439
- 99487
- 99491
- 99437
- 99424
- 99425
- 99426
- 99427
- 99484
- G3002
- G3003
- 99453
- 99454
- 99457
- 99091
- G0203
- G0204
- G0019
- G0022

**All you Can Eat – Multiple servings per person**

# Great News for RHCs and FQHCs

## Multiple instances of G0511

- G0511 can be billed **multiple times in the same month** for different care management services if the resource costs associated with each of the services are separately accounted for.
- The Final Rule does not appear to establish a maximum number of times the code may be billed in a given month.

## Ability to do new programs like RPM if the code is included

- For each "minute-based" code successfully completed, an instance of G0511 can be billed
  - **Example: 20 Minutes of CCM + 20 Minutes of RPM = Bill for 2 instances of G0511**
- Unfortunately, RHCs and FQHCs won't be able to receive the Device reimbursement for 16 readings/month
- While CHI, PIN and RTM are "in the pot," the requirements and limitations are not good enough yet.

# *Our recommendation for 2024*

# G0511: General Care Management

## *2024 Recipe*

**Ingredients**:

- 99490
- 99439
- 99487
- 99491
- 99437
- 99424
- 99425
- 99426
- 99427
- 99484
- G3002
- G3003
- 99453
- 99454
- 99457
- 99091
- G0203
- G0204
- G0019
- G0022

**All you Can Eat – Multiple servings per person**

# What about additional minutes?

## CMS designed G0511 to be “GENERAL” Care Management

| 2024 Chronic Care Management (CCM) | | |
|---|---|---|
| **Program** | **Code** | **Average Reimbursement** |
| 20 minutes per month | 99490 | **$61.57** |
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## General Rule:

- Bill one instance of G0511 for each completed program in the list
- Be mindful that some programs have tighter requirements (ex: 30 mins, 60 mins)
- Billing the higher-level codes is currently a “gray area”
- We expect CMS to eventually issue clarifications around this.

# A Few Other Updates

## Other Notable Updates for 2024

- **Marriage and Family Therapists** and **Mental Health Counselors** are added to the suite of RHC practitioners
  - Can now generate a Medicare encounter, reimbursable at the RHC's All-Inclusive Rate (AIR)
- **Clarifications on Telehealth (G2025)**: RHC medical telehealth flexibilities including reimbursement through 2024
- **Intensive Outpatient Program Services**
  - Intensive Outpatient Program (IOP) services are behavioral health services provided through an outpatient setting
  - RHCs will receive a flat payment per day which CMS is proposing as $284 in 2024. This corresponds to an anticipated 3 separate qualifying services per day. **CMS is proposing to require that RHCs report condition code 92 to identify IOP services.**

https://www.narhc.org/News/30193/CMS-Finalizes-2024-Regulatory-Updates

# To Summarize

## What we're excited about…

- Multiple instances of G0511 is long overdue.  We could not be happier about this!
- You can now do RPM!
- Ability to financially support providing your patient with an RPM device (like a BPM or Scale)

## Future changes that we're hoping for…

- Add separate payment for an RPM Device Code
- Programs like RTM need significant improvement before they are worth doing
- Improvements to CHI and PIN.  - Reimbursements low compared to CCM
- Waiving of patient responsibility / copay for G0511

*Thank you for joining us*

*Questions?*