CMS Proposes Packaging Ancillary Services under HOPPS

The Centers for Medicare and Medicaid Services (CMS) proposed packaging seven new categories of supporting items and services in payments for primary services, according to the 2014 proposed rule for hospital outpatient services and ambulatory surgical centers released on July 8th. The proposed payment policy would package more than 2,000 procedures and services and no longer make separate payment unless certain conditions are met.

The changes would move the hospital outpatient prospective payment system (HOPPS) toward "Medicare payment for hospital inpatient services and less like a rate-for-service payment model," CMS states. The last time CMS added categories of items and services for packaging was in 2008. CMS proposes to package the following items and services into the primary procedure payment:

- · Ancillary services that are assigned status indicator "X."
- Drugs, biologicals and radiopharmaceuticals that function as supplies when used in a diagnostic test or procedure
- Drugs and biologicals that function as supplies or devices when used in surgery
- · Certain clinical diagnostic laboratory tests
- Procedures described by add-on codes.
- Diagnostic tests on the bypass list
- Device removal procedures

Given the longstanding hospital outpatient payment policy to package items and services that are integral, ancillary, supportive, dependent, or adjunctive to a primary service, CMS believes that ancillary services, which are currently assigned status indicator "X," should be packaged when they are performed with another service, but should continue to be separately paid when performed alone. This ancillary services proposal affects 425 procedure codes, including the following radiation oncology codes:

77280	Set radiation therapy field
77285	Set radiation therapy field
77290	Set radiation therapy field
77295	Set radiation therapy field
77299	Radiation therapy planning
77300	Radiation therapy dose plan
77301	Radiotherapy dose plan imrt

77305	Teletx isodose plan simple
77310	Teletx isodose plan intermed
77315	Teletx isodose plan complex
77321	Special teletx port plan
77326	Brachytx isodose calc simp
77327	Brachytx isodose calc interm
77328	Brachytx isodose plan compl
77331	Special radiation dosimetry
77332	Radiation treatment aid(s)
77333	Radiation treatment aid(s)
77334	Radiation treatment aid(s)
77336	Radiation physics consult
77338	Design mlc device for imrt
77370	Radiation physics consult
77399	External radiation dosimetry

CMS states that their overarching goal is to make payments for all services paid under the HOPPS more consistent with those of a prospective payment system and less like those of a per service fee schedule, which pays separately for each coded item. CMS states that the proposed packaging policies are not exhaustive and they expect to continue to review the HOPPS and consider additional packaging policies in the future.