

NOTICE OF PROPOSED RULEMAKING FOR THE RADIATION ONCOLOGY (RO) MODEL

On July 19, 2021 the Centers for Medicare & Medicaid Services (CMS) displayed the 2022 Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems proposed rule, which includes proposals related to the Radiation Oncology (RO) Model.

The RO Model tests whether prospective, site neutral, modality agnostic, episode-based payments to physician group practices (including freestanding radiation therapy centers), and hospital outpatient departments for radiotherapy (RT) episodes of care reduces Medicare expenditures while preserving or enhancing the quality of care for Medicare beneficiaries.

The RO Model has a new proposed start date of January 1, 2022 and would run for 5 performance years, ending December 31, 2026. The proposed rule also includes the following proposals:

- Adjusting the pricing methodology, including updating the baseline period to 2017-2019 and lowering the discounts to 3.5 and 4.5 percent, for the professional component and technical component, respectively.
- Removing brachytherapy from the included modalities.
- Proposing that in cases where a beneficiary switches from traditional Medicare fee-for-service (FFS) to Medicare Advantage during an episode before treatment is complete, CMS would consider this an incomplete episode and RT services will be paid FFS as opposed to the bundled payment.
- In light of the current public health emergency (PHE) and several recent natural disasters, adding an extreme and uncontrollable circumstances policy. This policy would give flexibility to reduce administrative burden of Model participation, including reporting requirements, and/or adjust the payment methodology as necessary.
- Modifying the current overlap policy for the Pennsylvania Rural Health Model (PARHM) to only exclude hospitals participating in PARHM, not just PARHM-eligible hospitals, and adding an overlap policy for the Community Track of the CHART Model. The RO Model would follow the same policy for overlap between the RO Model and the Medicare Shared Savings Program ACOs for the CHART ACO Transformation Track.

In addition to these proposals, CMS is removing liver cancer from the RO Model. CMS also includes clarifications in the proposed rule to help address questions from stakeholders and future RO participants related to the interaction between the RO Model and the Quality Payment Program.

CMS is seeking comment on these proposals. The comment deadline is September 17, 2021.