

CONGRESS PASSES LEGISLATION TO DELAY RADIATION ONCOLOGY MODEL AND INCREASE 2022 CONVERSION FACTOR

Congress recently approved the Protecting Medicare and American Farmers from Sequester Cuts Act to prevent Medicare cuts to health care providers, including a one-year delay of the Radiation Oncology Alternative Payment Model (RO Model) to January 1, 2023.

The Senate recently passed legislation 59-35 to mitigate Medicare payment cuts to providers, clearing the path for the president to sign the bill as providers are already lobbying for longer-term relief next year.

The legislation, which averted payment cuts weeks before they were set to go into effect in 2022, had passed the House earlier in the week.

The legislation would phase in sequester cuts starting after March 2022 with a 1% cut through the end of June, after which the cuts would return to 2%. It would also defer the cost of the American Rescue Plan to the 2023 so-called PAYGO scorecard, mitigate some cuts tied to changes in CMS' evaluation and management policies under the Medicare Physician Fee Schedule, and delay the start of the radiation oncology model until 2023.

ASTRO commented that "Radiation oncologists across the country applaud our congressional champions for working to protect patient access to cancer care during this pandemic by implementing a one-year delay to the RO Model and mitigating serious Medicare payment cuts. While we are grateful for the

delay, our focus remains on the reforms needed for the model to be successful. We continue to support a transition to value-based care, but the current CMS model needs urgent reforms to achieve that goal. This delay creates a critical window of opportunity for Congress to address the RO Model's flaws, namely the excessively severe discount factor payment cuts, as well as the need for payment stability for all radiation oncology clinics. We are pleased by the momentum building in support of these legislative reforms, and we look forward to working with our congressional champions to address these issues early in the new year."

The legislation also mandates an increase to the 2022 Medicare Physician Fee Schedule conversion factor by 3%.

Before Congress took action, doctors were looking at Medicare payment cuts totaling 9.75% in January 2022: a 4% cut due to PAYGO or "pay-as-you-go," a rule requiring Congress to fully fund any legislation it passes; a 3.75% cut in the Medicare Physician Fee Schedule "conversion factor" -- the multiplier that Medicare applies to relative value units (RVUs) to calculate reimbursement for a particular service or procedure; and a 2% cut from the "sequester," an across-the-board cut to federal programs.

The legislation does not include providers' calls to avert cuts tied to CMS' clinical labor policy changes, and some provider groups are continuing to call for relief in that area before the end of the year.