



Ambulatory Surgery
Center Association

Regulatory Policy & Federal Advocacy Update

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Primary Areas of Focus

Medicare Payment Policy

ASC Quality Reporting Program

Legislative Update

Additional Federal Policy Issues

Medicare Payment Policy

Hospital Outpatient Prospective Payment System (OPPS) / ASC Payment Rule Timeline

Proposed rule: early July

- Comments due 60 days after proposed rule

Final rule: approx. November 1

- 60 days prior to January 1 effective date

Payment Rates Effective January 1

- Correction Notices
- Quarterly Updates

2025 Proposed Payment Update

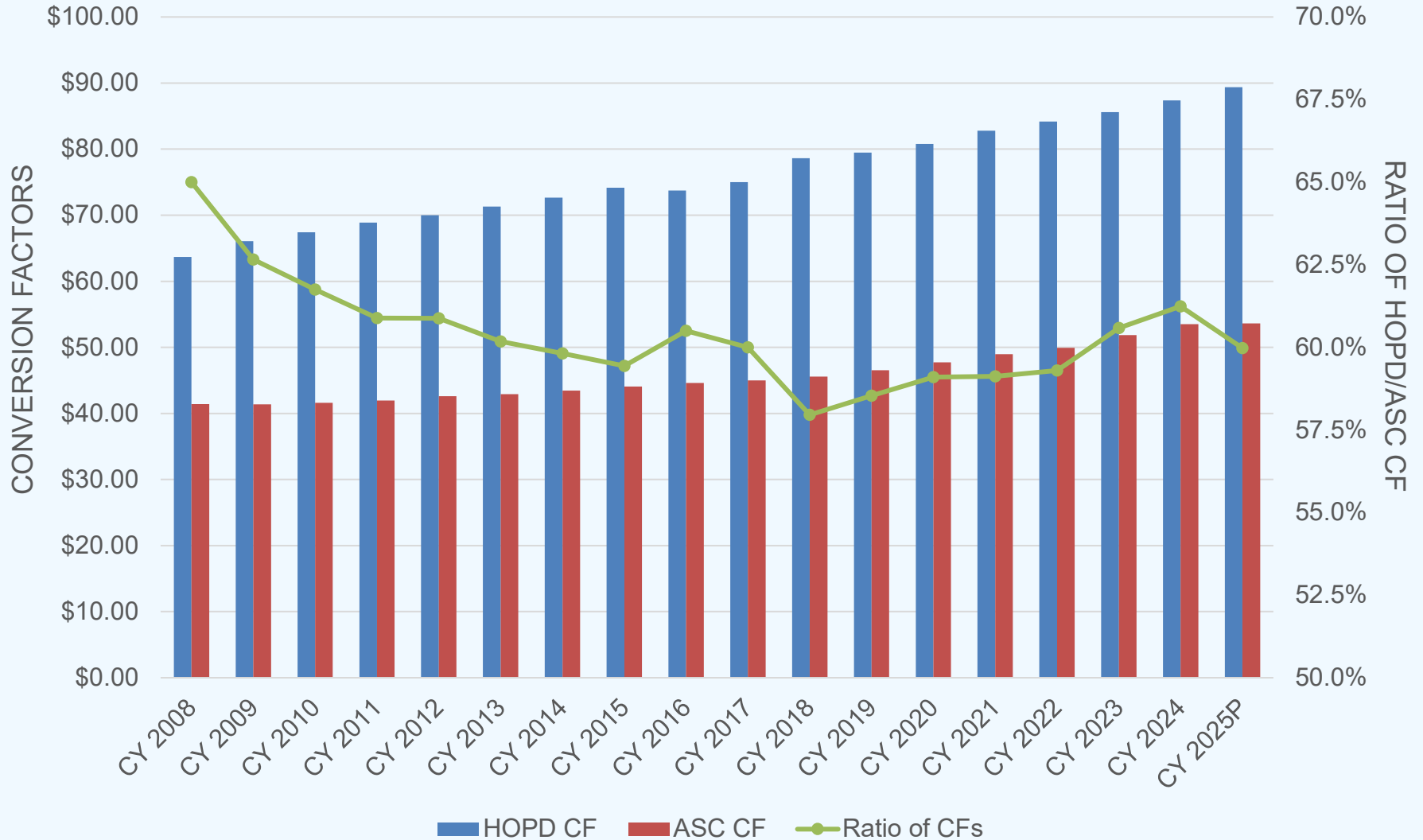
ASC Effective Inflation Update: 2.6%

- CMS to use hospital market basket index through 2025
- Hospital Market Basket: 3.0%
- Multi-factor productivity (MFP) adjustment: 0.4%
- Average update, rate changes vary by procedure

HOPD Effective Inflation Update: 2.6%

Secondary Rescaling Factor: 0.876

HOPD versus ASC Conversion Factor: 2008 - 2025P



Top 100 Procedures by Volume

2025 Proposed Rule

Specialty	Total Codes in Top 100	2022 ASC Volume for Top 100 Codes	Δ 2024F – 2025P
Dermatology	6	50,869	3.15%
Gastrointestinal	15	1,903,049	3.05%
General	1	5,818	3.45%
Ophthalmology	22	1,803,124	2.35%
Orthopedics	21	358,553	2.18%
Otolaryngology	4	58,229	4.10%
Pain Management	15	969,018	1.74%
Spine	3	50,005	3.02%
Urology	10	169,557	2.78%
Vascular/Cardio Surgery	3	42,180	-0.55%
Grand Total	100	5,410,402	2.43%

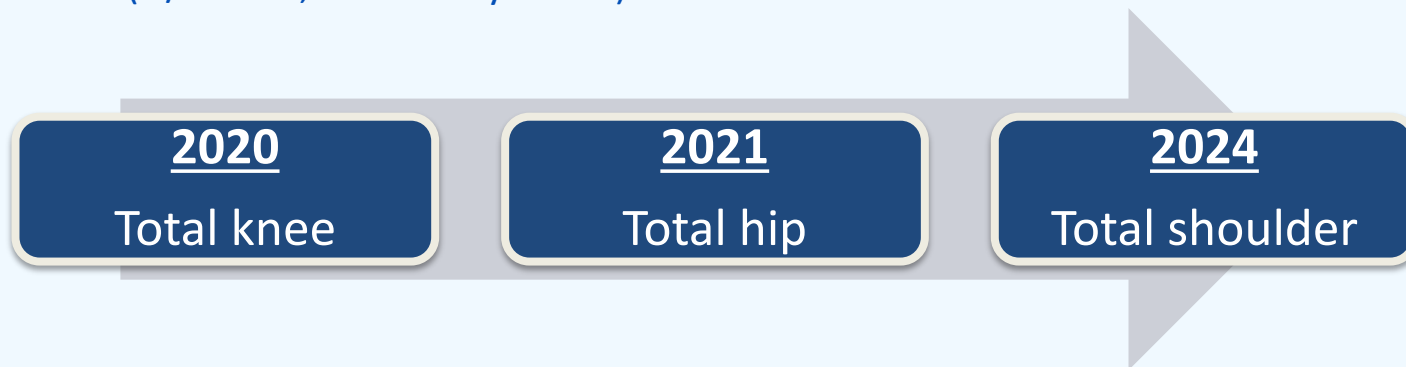
Top 10 Procedures by Volume

2025 Proposed Rule Impact

HCPCS	Descriptor	Specialty	2022 Volume	July 2024 Rate	2025 Proposed Rate	Δ 2024 – 2025 P
66984	Cataract surg w/iol 1 stage	Ophthalmology	1,165,208	\$1,183.57	\$1,205.23	6.98%
43239	Egd biopsy single/multiple	Gastroenterology	474,978	\$470.17	\$497.46	8.60%
45385	Colonoscopy w/ lesion removal	Gastroenterology	465,629	\$612.08	\$626.82	7.90%
45380	Colonoscopy and biopsy	Gastroenterology	432,508	\$612.08	\$626.82	7.90%
64483	Inj foramen epidural l/s	Pain Management	257,601	\$472.76	\$478.78	6.16%
66821	After cataract laser surgery	Ophthalmology	235,975	\$301.49	\$305.57	8.35%
64493	Inj paravert f jnt l/s 1 lev	Pain Management	189,565	\$472.76	\$478.78	6.16%
G0105	Colorectal scrn; hi risk ind	Gastroenterology	152,106	\$474.05	\$485.67	8.74%
62323	Njx interlaminar lmb/sac	Pain Management	125,844	\$358.69	\$372.04	6.49%
64635	Destroy lumb/sac facet jnt	Pain Management	106,989	\$897.67	\$920.62	4.88%
			3,606,403			2.43%

Additions to the ASC-CPL in 2024

- 11 new surgical procedures:
 - 21194 (Reconst lwr jaw w/graft)
 - 21195 (Reconst lwr jaw w/o fixation)
 - 23470 (Reconstruct shoulder joint)
 - 23472 (Reconstruct shoulder joint)
 - 27006 (Incision of hip tendons)
 - 27702 (Reconstruct ankle joint)
 - 29868 (Meniscal trnspl knee w/scpe)
 - 33289 (Tcat impl wrls p-art prs snr)
 - 37192 (Redo endovas vena cava filtr)
 - 60260 (Repeat thyroid surgery)
 - C9734 (U/s trtmt, not leiomyomata)
- Also, 26 dental procedures
- 224 procedures nominated by commenters considered, but not added
- ASC-CPL nomination process begins with 2024 rulemaking cycle



Proposed ASC-CPL Additions for 2025

ADRC Therapy

- 0717T, 0718T

Cardiovascular Codes

- Pacemakers: 0795T, 0801T

Dental Codes

- D7251, D7280, D7410, D7411, D7412, D7413, D7414, D7415, D7450, D7451, D7460, D7461, D7485, D7521, D7530, D7540

Proposed Additions to the ASC-CPL in 2025

CPT	Short Descriptor	Payment Indicator	Proposed 2025 Payment Rate
0717T	Adrc ther prtl rc tear	G2	\$1,934.81
0718T	Adrc ther prtl rc tear njx	G2	\$1,934.81
0795T	Tcat ins 2chmbr Idls pm cmpl	J8	\$13,635.60
0801T	Tcat rmv&rpl 2chmbr Idls pm	J8	\$13,238.11

CMS also proposed the addition of the 16 dental codes

Pre-Proposed Rule CPL Recommendation Process

November 2021: CMS finalizes a nomination process for stakeholders to propose codes for addition to the ASC-CPL

- Coincides with removal of 255 procedures from ASC-CPL, reinstatement of IPO list
- Nomination process to begin with first nominations **January 1 to March 1, 2023**

November 2022: CMS finalizes name change to “Pre-Proposed Rule CPL Recommendation Process”

- Delays implementation until January 1 to March 1, 2024
- CMS will review whether codes meet exclusionary criteria
- If not selected for addition to ASC-CPL, CMS would have to indicate rationale for exclusion

July 2023: No mention in proposed rule

August 2023: CMS releases recommendation request, ASCA submits comments

January 1, 2024: First recommendation period opens

ASC-CPL Nomination Process

ASCA submitted the following codes in Q1 2024:

Cardiovascular Codes

- Electrophysiology Studies and Ablations: 93613, 93619, 93620, 93623, 93650, 93653, 93654, 93655, 93656 and 93657
- Peripheral Vascular — Diagnostic: 75630, 75710, 75716 and 75736
- Cardioversion and TransEsophageal Echocardiogram: 92960 and 93355

Spine Codes

- Posterior Lumbar Inter-body Fusion: 22630
- Combined Posterior Lumbar and Posterior Lumbar Inter-body Fusion: 22633

NONE were proposed for addition to ASC-CPL.

Device Intensive (DI) Codes

- In 2022, CMS began calculating device offset percentage using ASC rates
 - Any procedure in which the device cost is 30 percent of the overall ASC procedure rate receives DI status.
- If a procedure is deemed DI in HOPD but not ASC setting based on ratesetting methodology, procedure will be assigned DI status under the ASC payment system with a default device offset percentage of 31 percent.
- 2018: 153 DI procedures
- 2025 (proposed): 491 DI procedures
- Copay cap issue

ASC Quality Reporting Program

Quality Reporting in 2025

OPPS/ASC Proposed Payment Rule

CMS is proposing to add the following measures cross-program measures:

(1) the Facility Commitment to Health Equity (FCHE) measure beginning with the CY 2025 reporting period/CY 2027 payment determination;

(2) the Screening for Social Drivers of Health (SDOH) measure beginning with voluntary reporting in the CY 2025 reporting period followed by mandatory reporting beginning with the CY 2026 reporting period/CY 2028 payment determination; and

(3) the Screen Positive Rate for Social Drivers of Health (SDOH) measure beginning with voluntary reporting in the CY 2025 reporting period followed by mandatory reporting beginning with the CY 2026 reporting period/CY 2028 payment determination.

ASCQR Program Measures Review

Number	Measure Title	Type of Measure	Data <u>Collection</u> Dates	Data <u>Reporting</u> Dates	Payment Determination Year	Measure Applies To
ASC-1	Patient Burn	Web-based via HQR	January 1 – December 31, 2023	January 1- May 15, 2024	CY 2025	All patients
ASC-2	Patient Fall	Web-based via HQR	January 1– December 31, 2023	January 1- May 15, 2024	CY 2025	All patients
ASC-3	Wrong Site, Wrong Side, Wrong Patient, Wrong Procedure, Wrong Implant	Web-based via HQR	January 1 – December 31, 2023	January 1- May 15, 2024	CY 2025	All patients
ASC-4	All Cause Hospital Transfer/ Admission	Web-based via HQR	January 1 – December 31, 2023	January 1- May 15, 2024	CY 2025	All patients

ASCQR Program Measure Review

Number	Measure Title	Type of Measure	Data Collection Dates	Data Reporting Dates	Payment Determination Year	Measure Applies To
ASC-9	Endoscopy/Polyp Surveillance: Appropriate Follow-Up Interval for Normal Colonoscopy in Average Risk Patients	Web-Based via QualityNet secure portal	January 1-December 31, 2023	January 1-May 15, 2024	CY 2025	Sampling
ASC-11 Voluntary	Cataracts- Improvement in Patient's Visual Function within 90 days following Cataract Surgery	Web-Based via HQR				Sampling
ASC-12	Facility Seven-Day Risk Standardized Hospital Visit Rate after Outpatient Colonoscopy	Administrative Claims-Based	Paid Medicare Fee for Service Claims January 1, 2023-December 31, 2024	Paid Medicare Fee for Service Administrative Claims	CY 2026	Paid Medicare Fee for Service Claims

ASCQR Program Measure Review

Number	Measure Title	Type of Measure	Data <u>Collection</u> Dates	Data <u>Reporting</u> Dates	Payment Determination Year	Measure Applies To
ASC-13	Normothermia	Web-based via HQR secure portal	January 1-December 31, 2023	January 1-May 15, 2024	CY 2025	Sampling
ASC-14	Unplanned Anterior Vitrectomy	Web-based via HQR secure portal	January 1-December 31, 2023	January 1-May 15, 2024	CY 2025	All Patients Meeting Criteria
ASC-15 (15 a-e) Currently Voluntary	Outpatient and Ambulatory Surgery Consumer Assessment of Healthcare Providers and Systems (OAS CAHPS)	Survey Administered by an approved vendor	January 1-December 31, 2025		CY 2027	All Patients with Exclusions 200 Completed Surveys via Approved Vendor

ASC 15: Outpatient/Ambulatory Surgery Consumer Assessment of Healthcare Providers and Systems (OAS CAHPS)

Five survey-based measures (ASC-15a-e) are collected via one survey {OAS CAHPS}:

- ASC-15a: About Facilities and Staff;
- ASC-15b: Communication About Procedure;
- ASC-15c: Preparation for Discharge and Recovery
- ASC-15d: Overall Rating of Facility; and
- ASC-15e: Recommendation of Facility

Voluntary reporting in CY 2024

Mandatory reporting beginning in CY 2025

OAS CAHPS Survey

- Survey has 34 questions:
 - 22 questions related to the patient, the facility, communication, and patient reported outcomes
 - 12 demographic questions
 - ASCs may add up to 15 supplemental questions
- Survey must be conducted via:
 - Telephone
 - Mail
 - Mail with phone follow-up
 - Electronic with phone follow-up
 - Electronic with mail follow-up
- CMS requires 200 completed surveys
- Must contract with CMS-certified vendor (currently 16)

ASCQR Program Measure Review

Number	Measure Title	Type of Measure	Data <u>Collection</u> Dates	Data <u>Reporting</u> Dates	Payment Determination Year	Measure Applies To
ASC-17	Hospital Visit After Orthopedic Ambulatory Surgery Procedures	Administrative Claims Based	Paid Medicare Fee for Service Claims January 1, 2023 - December 31, 2024	Paid Medicare Fee for Service Administrative Claims	CY 2026	Paid Medicare Fee for Service Claims
ASC-18	Hospital Visit After Urology Ambulatory Surgery Procedures	Administrative Claims Based	Paid Medicare Fee for Service Claims January 1, 2023 - December 31, 2024	Paid Medicare Fee for Service Administrative Claims	CY 2026	Paid Medicare Fee for Service Claims
ASC-19	Facility-Level 7-Day Hospital Visits after General Surgery Procedures Performed at ASCs	Administrative Claims Based	Paid Medicare Fee for Service Claims January 1, 2023 – December 31, 2024	Paid Medicare Fee for Service Administrative Claims	CY 2026	Paid Medicare Fee for Service Claims
ASC-20	COVID-19 Vaccination Coverage Among HCP	Web-based via NHSN		Quarterly reporting periods	CY 2025	All healthcare personnel meeting criteria

Upcoming ASC-20 Reporting Deadlines

Quarterly Data Submission	Deadline
Quarter 2 2024 (April 1 – June 30, 2024)	November 15, 2024
Quarter 3 2024 (July 1 – September 30, 2024)	February 15, 2025

ASC-21: THA/TKA PRO-PM

- Pre-operative data collected from **0-90 days before the procedure.**
- Post-operative data collected between **300-425 days after the procedure.**
- Must submit 44 to 47 data elements for each THA patient and a total of 46 to 49 data elements for each TKA patient when complete PRO data is provided by the patient.
- **Has not been tested in the ASC setting.**
- Voluntary reporting begins with CY 2025-2027 reporting periods followed by mandatory reporting beginning with the CY 2028 reporting period.

Legislative Update

Outpatient Surgery Quality and Access Act **(H.R. 5818 and S. 3132)**

- Make the Hospital Market Basket (HMB) the permanent inflation update factor for ASCs
- Add a permanent ASC-specific representative to the Hospital Outpatient Payment advisory panel
- Direct HHS to publish a comparison of quality measures that apply to both ASCs and HOPDs
- Require CMS to publish rationale for declining to add specifically requested codes to the ASC-CPL
- Elimination of the copay cap and the ASC weight scalar

Copay Cap Issue

- Procedures performed at hospitals are capped at the annual inpatient deductible (\$1,632 in 2024)
- Effect can be shown using the Medicare Procedure Price Lookup tool:
<https://www.medicare.gov/procedure-price-lookup/>

ASC to HOPD Beneficiary Comparison

Extracapsular cataract removal with insertion of intraocular lens prosthesis (1 stage procedure), manual or mechanical technique (eg, irrigation and aspiration or phacoemulsification); without endoscopic cyclophotocoagulation

Code: 66984

Patient pays (average)

\$341

Ambulatory surgical centers

This includes facility and doctor fees. You may need more than one doctor and additional costs may apply.

More cost information ^

All costs are national averages

<u>Total Cost</u>		\$1,711
Doctor Fee	\$528	
Facility Fee	\$1,183	
<u>Medicare Pays</u>		\$1,368
Patient pays		\$341

Patient pays (average)

\$549

Hospital outpatient departments

This includes facility and doctor fees. You may need more than one doctor and additional costs may apply.

More cost information ^

All costs are national averages

<u>Total Cost</u>		\$2,748
Doctor Fee	\$528	
Facility Fee	\$2,220	
<u>Medicare Pays</u>		\$2,198
Patient pays		\$549

Next Steps: Use this [checklist](#) to talk to your doctor about your costs and options, find [hospitals](#) in your area, or get [data](#) on ambulatory surgical centers.

Co-Pay Cap Issue

Laminectomy for implantation of neurostimulator electrodes, plate/paddle, epidural

Code: 63655

Patient pays (average)

\$3,762

Ambulatory surgical centers

This includes facility and doctor fees. You may need more than one doctor and additional costs may apply.

More cost information ^

All costs are national averages

<u>Total Cost</u>		\$18,815
Doctor Fee	\$838	
Facility Fee	\$17,977	
<u>Medicare Pays</u>		\$15,052
Patient pays		\$3,762

Patient pays (average)

\$1,799

Hospital outpatient departments

This includes facility and doctor fees. You may need more than one doctor and additional costs may apply.

More cost information ^

All costs are national averages

<u>Total Cost</u>		\$21,680
Doctor Fee	\$838	
Facility Fee	\$20,842	
<u>Medicare Pays</u>		\$19,880
Patient pays		\$1,799

In hospital outpatient departments, Original Medicare caps your copayments at \$1,632. This likely applies to this procedure.

Additional Federal Policy Issues

Federal Health Policy Issues

Price transparency

Payment system reform

Capturing electronic data

Prior authorization

Health equity

Drug access and pricing

Consolidation

Telehealth expansion

Waste, fraud and abuse

Alternative payment models

Lower Costs, More Transparency Act (H.R. 5378) ***Health Care PRICE Transparency Act 2.0 (S. 3548)***

Beginning January 1, 2026, ASCs would publish:

- Standard charges for each item or service furnished in the ASC;
- Information on the ASC's prices for as many of the CMS-specified shoppable services (or up to 300 shoppable services provided by facility);
- Indication of which of CMS shoppable services are not provided at the ASC;

*Penalties for non-compliance

No Surprises Act (NSA)

Established new prohibitions against surprise bills for **covered** individuals:

- Emergency services from a non-participating provider or facility
- Non-emergency services from non-participating providers in a participating facility
- Care based on inaccurate provider network status in the health plan directory

Establishes some new protections for uninsured (good faith estimates, payment disputes)

Establishes independent dispute resolution (IDR) processes for rate disputes between:

- Patients and providers
- Out-of-network (OON) providers and insurers

NSA: New Requirements for Providers (as of January 1, 2022)

1. No balance billing for non-emergency services by non-participating providers at certain participating health care facilities, *unless notice and consent was given* (in some circumstances)
2. Disclose patient protections against balance billing
3. Provide **good faith estimate** in advance of scheduled services, or upon request, for uninsured or self-pay individuals
4. Ensure continuity of care when a provider's network status changes
5. Improve provider directories and reimburse enrollees for errors

NSA: Implementation Issues

High dispute volume

- HHS expected **22,000 cases per year**
- IDR cases in Q4 2023: 318,000

Four lawsuits from the Texas Medical Association (TMA)

- TMA I: Negate presumption that QPA is correct OON rate for IDREs
- TMA II: Revised IDR process still unfair with QPA as arb starting point
- TMA III: Flawed process of calculating QPA
- TMA IV: Administrative fee and batching

Enforcement for good faith estimates from co-providers/co-facilities delayed indefinitely as of December 2022

- Expansion to insured patients?
- RFI issued September 2022

Drug Supply Chain Security Act (DSCSA)

- DSCSA is Title II of the larger *Drug Quality and Security Act* (DQSA) of 2013
- **Key provisions:** product identification, **product tracing**, product verification, detection and response, notification
- **Entities in the drug supply chain:** manufacturers, repackagers, wholesale distributors, 3PLs and **dispensers**
- **Dispenser:** “a retail pharmacy, hospital pharmacy, a group of chain pharmacies under common ownership and control that do not act as a wholesale distributor, or **any other person authorized by law to dispense or administer prescription drugs.**”
- Product tracing requirements from the DSCSA only apply to prescription drugs in finished dosage form that are being held as general stock

Drug Supply Chain Security Act (DSCSA)

Dispenser requirements:

- (1) Product tracing
- (2) Product identifier
- (3) Authorized trading partners
- (4) Verification

Exception

“Notwithstanding any other provision of law, the requirements under paragraphs (1) and (4) **shall not apply to licensed health care practitioners authorized to prescribe or administer medication under State law** or other licensed individuals under the supervision or direction of such practitioners who dispense or administer product in the usual course of professional practice.”

2015

- Product tracing (lot level)
- Authorized trading partners
- Verification systems

2020

- Product identifiers
- Verification (package level)

2024

- Product tracing (package level)

Drug Supply Chain Security Act (DSCSA)

Best Practices For ASCs

Is your facility a dispenser? Are you holding prescription drugs in finished dosage form as general stock?

Do you need a Global Location Number (GLN)? Not technically, but practically.

Only transact with “authorized” trading partners (valid state license)

Only accept serialized products (National Drug Code, Serial Number, Lot Number, and Expiration Date)

Get Involved!

Get Involved in Advocacy!



Photo: Representative Kim Schrier (D-WA), MD meets with attendees During National Advocacy Day 2023



Photo: Adam Johnson (left), administrator, and Representative Ronny Jackson, MD, during the congressman's tour of AUA Surgical Center

ASCA's National Advocacy Day will take place in Fall 2025.

Visit ASCA's website under "National ASC Month" to learn more about hosting a facility tour.



ASCA 2025
DENVER: APRIL 30-MAY 3

References

- **2025 OPPTS/ASC Proposed Payment Rule:**
 - <https://public-inspection.federalregister.gov/2024-15087.pdf>
- **2025 Proposed Rule ASC Addenda:**
 - <https://www.cms.gov/license/ama?file=/files/zip/2025-nprm-addendum-aa-bb-dd1-dd2-ee-and-ff.zip>
- **ASCA Payment Resources:**
 - <http://www.ascassociation.org/federalregulations/medicarepayments>
- **ASC Quality Reporting Program:**
 - <https://qualitynet.cms.gov/asc>
 - <https://www.ascassociation.org/medicare/quality-reporting>
 - <https://www.ascassociation.org/asca/asc-operations/quality/oas-cahps>

Questions?

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