

# The Hawthorn

# CONNECTION

## NEWS FLASH

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### **CME 2016 MPFS Final Rule & Resources** *by Stan Hosler*

The Centers for Medicare and Medicaid Services (CMS) issued the 2016 Medicare Physician Fee Schedule (MPFS) Final Rule on October 30, 2015. The provisions of the CMS Final Rule will go into effect on January 1, 2016.

As is customary with its annual final rules, CMS provided details about changes that are required by various legislative acts. For example, in 2016 CMS will implement the mandated payment update of 0.5%, as established by the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), but this increase will be offset by a Misvalued Code negative adjustment of 0.77% as required by the Protecting Access to Medicare Act (PAMA) and the Achieving a Better Life Expectancy Act (ABLE). The net result of these adjustments is that the conversion factor for 2016 will be reduced from \$35.9335 to \$35.8279.

Prior to issuing an annual final rule, CMS solicits input from various professional organizations, and it is common for these organizations to submit detailed letters with recommendations for the range of policies and programs under consideration. In September 2015, for example, the College of American Pathologists submitted its comments regarding the pending 2016 rule and addressed topics such as the Physician Quality Reporting System (PQRS), the Value Based Modifier and potentially misvalued services. (See [www.cap.org](http://www.cap.org).)

Hawthorn closely monitors CMS final rules because they affect approximately \$100 billion in annual Medicare payments for physicians, and because they influence fee schedules and payments from other payers. Further, as described in The Hawthorn Advantage value platform, Hawthorn is committed to providing professional advocacy in behalf of its clients. As part of this value promise, Hawthorn reviews and reports the activities of the professional organizations that communicate directly with CMS on behalf of physicians, medical specialties, group practices and practice managers.

The Healthcare Billing and Management Association (HBMA) submitted its comments to CMS earlier this year, and they addressed issues such as the lag time for data on the Physician Compare website and the need to retain claims-based reporting for PQRS. Additionally, HBMA provided a very helpful overview of the MPFS Final Rule, along with a recap of provisions for which HBMA had advocated. (See [www.hbma.org](http://www.hbma.org).) Hawthorn is pleased to provide access to the CMS Final Rule direct link: <http://src.bna.com/Q3>



### ***Addressing Complexity with Certainty***

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