

In addition, the individual receiving the service must be located in a telehealth originating site. When all of these conditions are met, Medicare pays a facility fee to the originating site and makes a separate payment to the distant-site practitioner furnishing the service.

Proposed Changes

CMS proposes to add several codes to the list of services eligible to be furnished via telehealth. These include:

- ESRD related services for dialysis;
- ACP services;
- Critical care consultations using new Medicare G-codes.

CMS also proposes payment policies related to the use of a new place-of-service code for reporting services furnished via telehealth.

Payment for Mammography Services

Background

In 2002, CMS began reimbursing three G-codes pertaining to digital mammography services (screening mammography, unilateral diagnostic mammography, and bilateral diagnostic mammography) and reimbursed film mammography through the use of CPT codes.

Proposed Changes

Recognizing the use of Computer-Aided Detection (CAD) mammography, CMS proposes to implement new CPT coding for mammography services. The coding revision reflects current technology used in furnishing these services, including a transition from film to digital imaging equipment and elimination of separate coding for CAD services. CMS proposes to maintain current valuation for the technical component of mammography services in order to implement coding and payment changes over several years.

Updated Geographic Practice Cost Indices (GPCIs)

Background

CMS is required to develop separate GPCIs to measure resource cost differences among localities compared to the national average for each of the three components—physician work, practice expense, and malpractice—of the fee schedule. The agency must review and adjust the GPCIs, as necessary, every 3 years at minimum.

Since 2009, a permanent 1.5 work GPCI floor for services furnished in Alaska has existed. Since 2011, there has also been a permanent 1.0 practice expense GPCI floor for services furnished in “frontier states” (defined as at least 50 percent of the state’s counties have a population density of less than 6 persons per square mile). CMS has identified five frontier states: Montana, Wyoming, North Dakota, Nevada and South Dakota.

Proposed Changes

As required by law, CMS proposes new GPCIs using updated data to be phased in over 2017 and 2018. In conjunction with this proposed update, CMS proposes to revise the methodology used to calculate GPCIs in the U.S. territories for consistency among the Pacific and Caribbean islands. This proposed revision would increase overall fee schedule payments in Puerto Rico.

The *Protecting Access to Medicare Act* requires that CMS use new locality definitions for California based on a combination of Metropolitan Statistical Areas as defined by the Office of Management and Budget and the current locality structure. The California locality provision is not budget-neutral, meaning that payments to physicians in California will increase in the aggregate without across-the-