

Initial AAFP Summary of the 2020 Proposed Medicare Physician Fee Schedule

On July 29, 2019, the Centers for Medicare & Medicaid Services (CMS) released the proposed [2020 Medicare Physician Fee Schedule \(MPFS\)](#). This regulation also impacts the Quality Payment Program (QPP). CMS released a related fact sheet on the [fee schedule](#) and a 28-page summary on the proposed changes to the [QPP](#). Comments on the proposal are due by September 27, 2019. The AAFP will thoroughly review the proposal and provide formal comments to the agency.

Proposals Impacting 2020 Medicare Physician Payment

The final 2019 MPFS conversion factor is \$36.04, whereas the proposed 2020 MPFS conversion factor is \$36.09.

In 2019, CMS finalized changes to simplify billing and coding requirements for office-based Evaluation and Management (E/M) services. CMS proposes to align E/M coding with changes laid out by the CPT Editorial Panel for office/outpatient E/M visits beginning in 2021. Thus, CMS proposes to:

- Retain 5 levels of coding for established patients;
- Reduce the number of levels to 4 for office/outpatient E/M visits for new patients;
- Revise the times and medical decision-making process for all office-based E/M codes and require performance of history and exam only as medically appropriate; and
- Allow clinicians to choose the E/M visit level based on either medical decision making or time.

CMS proposes to adopt the American Medical Association (AMA) Relative Value Scale Update Committee (RUC)-recommended values for the office/outpatient E/M visit codes for CY 2021 and the new add-on CPT code for prolonged service time. CMS proposes to consolidate the Medicare-specific add-on code for office/outpatient E/M visits for primary care and non-procedural specialty care that was finalized in 2019 for implementation in 2021 into a single code describing the work associated with visits that are part of ongoing, comprehensive primary care and/or visits that are part of ongoing care related to a patient's single, serious, or complex chronic condition.

CMS proposes in 2020 to pay clinicians across all specialties for the time they spend managing patients with greater needs and multiple medical conditions. CMS proposes to increase payment for Transitional Care Management and proposes a set of Medicare-developed HCPCS G codes for certain Chronic Care Management services. CMS also proposes to create new coding for Principal Care Management services, which would pay clinicians for providing care management for patients with a single, serious or high-risk condition.

CMS did not propose to make AMA RUC-recommended changes to global surgery codes.

Based on CMS' proposals, there would be no change in total Medicare allowed charges for family medicine in 2020, but total allowed charges for family medicine would increase 12% in 2021. Reference Table 110 and Table 111 at the end of this summary to see estimated impacts by physician specialty type for Medicare allowed charges in 2020 and 2021, respectively.

Proposals Impacting the Quality Payment Program

For the Merit-based Incentive Payment System (MIPS), CMS proposes to:

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- Increase the performance threshold (which is the minimum number of points to avoid a negative payment adjustment) from 30 points in 2019 to 45 points in 2020 and 60 points in 2021;
- Increase the additional performance threshold for exceptional performance to 80 points in 2020 and to 85 points in 2021;
- Reduce the quality performance category weight to 40 percent in 2020, 35 percent in 2021, and 30 percent in 2022; and
- Increase the cost performance category weight to 20 percent in 2020, 25 percent in 2021, and 30 percent in 2022.

CMS proposes a new way for clinicians to participate in the MIPS. Called the MIPS Value Pathways (MVPs) and beginning in the 2021 performance period, it would allow clinicians to report much less than the current MIPS framework. Under MVPs, clinicians would report on a smaller set of measures that are specialty-specific, outcome-based, and more closely aligned to Alternative Payment Models (APMs). CMS anticipates MVPs participants would receive prompter and more data and feedback.

For the cost performance category, CMS proposes to add 10 new episode-based measures and revise the current measures for Medicare Spending Per Beneficiary and Total Per Capita Cost.

For the improvement activities performance category, CMS proposes to:

- Modify the definition of a rural area;
- Remove the criteria for patient-centered medical home designation that a practice must have received accreditation from one of four accreditation organizations that are nationally recognized or comparable specialty practice that has received the National Committee for Quality Assurance Patient-Centered Specialty Recognition;
- Increase the participation threshold for group reporting to require at least 50% of clinicians in the practice to perform an activity to receive credit; and
- Update the improvement activity inventory and establish criteria for removal in the future.

CMS did not propose significant changes to the promoting interoperability performance category but seeks comments on several areas.

For APMs, CMS proposes:

- Quality reporting options for the APM Scoring Standard;
- Allowing APM Entities and MIPS eligible clinicians participating in APMs the option to report on MIPS quality measures for the MIPS quality performance category;
- A MIPS APM quality reporting credit for APM participants in Other MIPS APMs where quality scoring through the APM is not technically feasible; and
- To apply the existing extreme and uncontrollable circumstances policies to MIPS eligible clinicians participating in MIPS APMs who are subject to the APM scoring standard and would report on MIPS quality measures.

Coverage for Opioid Treatment Programs

CMS proposes Medicare coverage to pay opioid treatment programs (OTPs) for delivering Medication-Assisted Treatment (MAT) to people with Medicare suffering from Opioid Use Disorder (OUD). OTPs must be accredited by the Substance Abuse and Mental Health Services Administration. CMS proposes to make a new monthly bundled payment to clinicians for management and counseling involving MAT for patients with OUD. This bundled payment to clinicians would cover care activities like overall patient management, care coordination, individual and group psychotherapy, and substance-use counseling, increasing patient access to evidence-based services that support OUD recovery.

Questions or comments on the 2020 proposed MPFS? Please email regulations@aafp.org.

TABLE 110: CY 2020 PFS Estimated Impact on Total Allowed Charges by Specialty

(A) Specialty	(B) Allowed Charges (mil)	(C) Impact of Work RVU Changes	(D) Impact of PE RVU Changes	(E) Impact of MP RVU Changes	(F) Combined Impact
Allergy/Immunology	\$236	0%	0%	0%	0%
Anesthesiology	\$1,993	0%	0%	0%	0%
Audiologist	\$70	0%	0%	0%	1%
Cardiac Surgery	\$279	-1%	-1%	0%	-1%
Cardiology	\$6,595	0%	0%	0%	0%
Chiropractor	\$750	0%	0%	-1%	-1%
Clinical Psychologist	\$787	1%	2%	0%	3%
Clinical Social Worker	\$781	0%	3%	0%	3%
Colon And Rectal Surgery	\$162	0%	1%	0%	1%
Critical Care	\$346	0%	0%	0%	1%
Dermatology	\$3,541	0%	1%	-1%	0%
Diagnostic Testing Facility	\$697	0%	-2%	0%	-2%
Emergency Medicine	\$3,021	1%	0%	1%	1%
Endocrinology	\$488	0%	0%	0%	0%
Family Practice	\$6,019	0%	0%	0%	0%
Gastroenterology	\$1,713	0%	0%	-1%	-1%
General Practice	\$405	0%	0%	0%	0%
General Surgery	\$2,031	0%	0%	0%	0%
Geriatrics	\$187	0%	0%	0%	0%
Hand Surgery	\$226	0%	0%	0%	1%
Hematology/Oncology	\$1,673	0%	0%	0%	0%
Independent Laboratory	\$592	0%	1%	0%	1%
Infectious Disease	\$640	0%	0%	0%	0%
Internal Medicine	\$10,507	0%	0%	0%	0%
Interventional Pain Mgmt	\$885	0%	0%	0%	1%
Interventional Radiology	\$432	0%	-2%	0%	-2%
Multispecialty Clinic/Other Phys	\$148	0%	0%	0%	0%
Nephrology	\$2,164	0%	0%	0%	1%
Neurology	\$1,503	-1%	3%	0%	2%
Neurosurgery	\$802	0%	0%	-1%	-1%
Nuclear Medicine	\$50	0%	1%	0%	1%
Nurse Anes / Anes Asst	\$1,291	0%	0%	0%	0%
Nurse Practitioner	\$4,503	0%	0%	0%	0%
Obstetrics/Gynecology	\$620	0%	1%	0%	1%
Ophthalmology	\$5,398	-2%	-3%	0%	-4%
Optometry	\$1,325	0%	-1%	0%	-2%
Oral/Maxillofacial Surgery	\$71	0%	0%	-1%	-2%
Orthopedic Surgery	\$3,734	0%	0%	0%	1%
Other	\$34	0%	0%	0%	1%
Otolamgology	\$1,225	0%	0%	0%	0%
Pathology	\$1,203	0%	0%	0%	0%
Pediatrics	\$62	0%	0%	0%	0%
Physical Medicine	\$1,110	0%	0%	0%	0%
Physical/Occupational Therapy	\$4,248	0%	0%	0%	0%
Physician Assistant	\$2,637	0%	0%	0%	0%
Plastic Surgery	\$369	0%	0%	0%	0%
Podiatry	\$1,998	0%	1%	0%	1%
Portable X-Ray Suppler	\$94	0%	0%	0%	0%
Psychiatry	\$1,120	0%	0%	0%	1%
Pulmonary Disease	\$1,658	0%	0%	0%	0%
Radiation Oncology And Radiation Therapy Centers	\$1,756	0%	0%	0%	0%
Radiology	\$4,971	0%	0%	0%	-1%
Rheumatology	\$534	0%	0%	0%	0%
Thoracic Surgery	\$352	-1%	0%	0%	-1%
Urology	\$1,739	0%	1%	0%	1%
Vascular Surgery	\$1,203	0%	-2%	0%	-2%
TOTAL	\$92,979	0%	0%	0%	0%

* Column F may not equal the sum of columns C, D, and E due to rounding.

TABLE 111: Estimated Specialty Level Impacts of Proposed E/M Payment and Coding Policies if Implemented for CY 2021

(A) Specialty	(B) Allowed Charges (mil)	(C) Impact of Work RVU Changes	(D) Impact of PE RVU Changes	(E) Impact of MP RVU Changes	(F) Combined Impact*
Allergy/Immunology	\$236	4%	3%	0%	7%
Anesthesiology	\$1,993	-5%	-1%	0%	-7%
Audiologist	\$70	-4%	-2%	0%	-6%
Cardiac Surgery	\$279	-5%	-2%	-1%	-8%
Cardiology	\$6,595	2%	1%	0%	3%
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Clinical Psychologist	\$787	-7%	0%	0%	-7%
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Colon And Rectal Surgery	\$162	-3%	-1%	-1%	-4%
Critical Care	\$346	-5%	-1%	0%	-6%
Dematology	\$3,541	0%	1%	-1%	-1%
Diagnostic Testing Facility	\$697	-1%	-4%	0%	-4%
Emergency Medicine	\$3,021	-6%	-2%	1%	-7%
Endocrinology	\$488	11%	5%	1%	16%
Family Practice	\$6,019	8%	4%	1%	12%
Gastroenterology	\$1,713	-2%	-1%	-1%	-4%
General Practice	\$405	5%	2%	0%	8%
General Surgery	\$2,031	-3%	-1%	0%	-4%
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Radiology	\$4,971	-5%	-3%	0%	-8%
Rheumatology	\$534	9%	5%	1%	15%
Thoracic Surgery	\$352	-5%	-2%	-1%	-7%
Urology	\$1,739	4%	4%	0%	8%
Vascular Surgery	\$1,203	-2%	-3%	0%	-5%
TOTAL	\$92,979	0%	0%	0%	0%

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