ED Facility Reimbursement: Key 2018 Updates

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ED Facility Levels

E/M Level Determination Principles
CMS 2008 OPPS Guidance:

11 Guiding Principles

1. The coding guidelines should reasonably relate the intensity of hospital resources to the different levels of effort represented by the code.
2. The coding guidelines should be based on hospital facility resources and not be based on physician resources.
3. The coding guidelines should be clear to facilitate accurate payments and be usable for compliance audits.
4. The coding guidelines should meet HIPAA requirements.

CMS 11 Guiding Principles (cont.)

5. The coding guidelines should only require clinically necessary documentation
6. The coding guidelines should not facilitate upcoding
7. The coding guidelines should be written.
8. The coding guidelines should be applied consistently
9. The coding guidelines should not change with great frequency.
10. The coding guidelines should be readily available for review.
11. The coding guidelines should result in coding decisions that could be verified by outside sources.

OPPS pages 872-873

Response: As we have in the past (74 FR 60553 and 75 FR 71969 through 71990), we acknowledge that it would be desirable to many hospitals to have national guidelines. However, we also understand that it would be disruptive and administratively burdensome to other hospitals that have successfully adopted internal guidelines to implement any new set of national guidelines while we address the problems that would be inevitable in the case of any new set of guidelines that would be applied by thousands of hospitals. We will continue to regularly reevaluate patterns of hospital outpatient visits.

-OPPS page 773

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**2018 ED Facility Guidelines Update**

In the CY 2018 OPPS proposed rule, we proposed to continue with our current emergency department hospital outpatient visits payment policies. We sought public comments on any changes to these codes. We did not receive any public comments. Therefore, we are finalizing our proposal, to continue our current ED hospital outpatient visits payment policies. We also did not receive any public comments on any changes to these codes that we should consider for future rulemaking cycles.

-2018 OPPS Final Rule pages 622-623/1133

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**2018 ED Payment Construct**

- Payment continues for 5 distinct ED levels
- Each ED level is still assigned to a unique APC
- Each APC is paid at a unique rate proportional to the intensity of services
- Level assignment and accurate charge capture matter
- The ED APCs were renumbered in 2016 and that convention/numbering continues for 2018

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**2018 Facility E/M Level Revenue**

<table>
<thead>
<tr>
<th>Fac. Level</th>
<th>APC</th>
<th>2017</th>
<th>2018</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>99281</td>
<td>5021</td>
<td>$61.34</td>
<td>$68.66</td>
<td>+11.93%</td>
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<tr>
<td>99282</td>
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<td>$124.65</td>
<td>+11.87%</td>
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<td>$219.10</td>
<td>+8.91%</td>
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<td>$332.27</td>
<td>$355.50</td>
<td>+6.99%</td>
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<td>$488.53</td>
<td>$520.81</td>
<td>+6.60%</td>
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<td>99291</td>
<td>5041</td>
<td>$686.87</td>
<td>$733.58</td>
<td>+6.80%</td>
</tr>
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</table>
2018 Critical Care

No significant coding changes:
In the proposed rule, we proposed to continue with and not propose any change to our payment policy for critical care services for CY 2018. We are finalizing our proposal, without modification, to continue our current critical care services payment policies.

- Reported with 99291
- APC 5041 new for 2016 continues
- 2017 payment: $666.27
- 2018 payment: $733.58 (+10.1%)
Hierarchy: Hydration, Injection, Infusion

- Three services:
  - Hydration
  - Injection
  - Infusion

Services Defined

- Injection/Push-IV medication given over less than 15 minutes
- Infusion-IV medication given over 15 minutes or more
- Hydration-prepackaged fluids given through an IV (NS, D5W, LR, D5 ½ NS)
  - 31 minutes to 1 hour
- These are time-based codes
- Need start and stop times

2018 New Bundling for Some Medication Administration Services

In CY 2015, we implemented a policy to conditionally package ancillary services with a geometric mean cost of $100 or less, with an exception for drug administration services.

For CY 2018, we are removing the exception for certain drug administration services and packaging payment for low-cost drug administration services. We are finalizing our proposal to conditionally package low-cost drug administration services assigned to APC 5691 and APC 5692, effective January 1, 2018.

2018 OPPS Final Rule 151-153/1133

2018 Reimbursement: Drug Administration Services

<table>
<thead>
<tr>
<th>Code</th>
<th>Service</th>
<th>2017 CMS Payment</th>
<th>2018 CMS Payment</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>90360</td>
<td>Hydration</td>
<td>$179.69</td>
<td>$191.08</td>
<td>+6.34%</td>
</tr>
<tr>
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<td>90365</td>
<td>Infusion</td>
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<td>+6.53%</td>
</tr>
<tr>
<td>90366</td>
<td>Infusion+</td>
<td>$34.76</td>
<td>$37.03</td>
<td>+6.53%</td>
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<tr>
<td>90374</td>
<td>Injection</td>
<td>$179.69</td>
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<td>+6.53%</td>
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<tr>
<td>90375</td>
<td>Injection+</td>
<td>$34.76</td>
<td>$37.03</td>
<td>+6.53%</td>
</tr>
</tbody>
</table>

Highlighted codes are bundled with ED E/M services
“This OPPS/ASC rule gives hospitals a stake in managing their resources to generate better coordinated and ultimately, more affordable outpatient care.”

Dr. Jonathan Blum
Former Deputy Administrator Center for Medicaid and Medicare Services

**2018 OPPS Final Rule:**
“Packaging encourages efficiency and is an essential component of a prospective payment system, packaging payments for items and services that are typically integral, ancillary, supportive, dependent, or adjunctive to a primary service has been a fundamental part of the OPPS since its implementation in August 2000.”

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**Conclusions**

- Correct E/M charge capture increasingly essential to financial success
- ED procedure and medication administration capture still matter
- 2018 packaging of services adds resource use pressure and efficiency pressure

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**2018 ED Packaging**

- ED Services as S.I. V will package many services
- Q1 continues to expand
  - Packaged with S, T, or V
- Packaging continues to increase
  - Most plain films and most labs (Q4), Some US
  - Minor procedures (simple lacerations Q1)
  - Foley, TC of EKG (Q1)
  - Now expanded to add on+ codes for hydration, injection, infusion

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**Contact Information**

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