

## Hospital Outpatient Payment for Hematopoietic Blood Stem Cell Treatments



HHS Advisory Council on Blood Stem Cell Transplantation

**September 13, 2016** 

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## Disclaimer

This presentation is intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

## **OPPS Overview**

Hospital Outpatient Prospective Payment System (OPPS)

- A prospective payment system for items and services provided in the hospital outpatient department (HOPD)
- Individual outpatient services are identified by Healthcare Common Procedure Coding System (HCPCS) codes

### **OPPS Overview**

 HCPCS codes are assigned to ambulatory payment classifications (APCs) based on clinical and resource homogeneity

 The payment rate calculated for each APC applies to the related health care services grouped in the same APC

## Comprehensive APCs (C-APCs)

- Encounter-level payment for a designated primary procedure(s) and generally, all adjunctive and secondary services provided in conjunction with the primary procedure(s)
- For CY 2017, CMS is proposing 25 new C-APCs, many of which are major surgery APCs within the various existing C-APC clinical families
- Includes a proposal for an Allogeneic Hematopoietic Stem Cell Transplantation (HSCT) C—APC

# Allogeneic Hematopoietic Stem Cell Transplantation (HSCT)

- Involves the intravenous infusion of hematopoietic stem cells derived from the bone marrow, umbilical cord blood, or peripheral blood of a donor to a recipient
- CPT code 38240 (Hematopoietic progenitor cell (HPC); allogeneic transplantation per donor)
  - Current APC assignment = APC 5281 (Apheresis and Stem Cell Procedures)
  - Current APC payment rate = \$3,015

# Allogeneic Hematopoietic Stem Cell Transplantation (HSCT)

- In the hospital outpatient setting, donor acquisition costs are packaged into the APC payment for the transplant procedure
- This includes services such as:
  - National Marrow Donor Program fees
  - Tissue typing of donor and recipient
  - Pre/post procedure donor evaluation
  - Costs assoc. with the collection procedure
  - Preparation and processing of stem cells
- Providers are instructed to report on the Medicare claim with a specific revenue code and these costs are associated with a line on the Medicare cost report

## Allogeneic HSCT payment

- In recent years, stakeholders have commented that the payment rate for allogeneic HSCT is inadequate
- Stakeholders have presented the following issues:
  - Outpatient allogeneic HCST is reported on claims being identified as multiple procedure claims that are unusable under the standard OPPS rate-setting methodology
  - The revenue code and cost center where the donor acquisition costs are reported is not dedicated explicitly to allogeneic HSCT donor acquisition costs
  - There are potentially services being reported with the same revenue code and mapped to the same cost center code as allogeneic HSCT donor acquisition charges that are unrelated to these services

## **CY 2017 OPPS Proposals**

#### Stakeholder Feedback:

 Outpatient allogeneic HCST is reported on claims being identified as multiple procedure claims that are unusable under the standard OPPS rate-setting methodology

#### CY 2017 Proposal:

- Establish C–APC 5244 (Level 4 Blood Product Exchange and Related Services)
- Assign CPT code 38240 (Hematopoietic progenitor cell (HPC); allogeneic transplantation per donor) to C-APC 5444
- Proposed C–APC 5244 payment rate = \$15,267

#### **Expected Outcome:**

- Allows for the costs for all covered OPD services, including donor acquisition services, included on the claim with CPT code 38240 to be packaged into the C-APC payment rate
- Costs will be analyzed using our comprehensive cost accounting methodology to establish future C–APC payment rates

## CY 2017 OPPS Proposals

#### Stakeholder Feedback:

 The revenue code and cost center where the donor acquisition costs are reported is not dedicated explicitly to allogeneic HSCT donor acquisition costs and may include unrelated services

#### CY 2017 Proposal:

- Update the Medicare hospital cost report by adding a new standard cost center
- Create revenue code 0815 (Allogeneic Stem Cell Acquisition Services) to identify hospital charges for stem cell acquisition for allogeneic HSCT and require hospitals to use this code with outpatient allogeneic HSCT
- Discontinue use of revenue code 0819 for the identification of stem cell acquisition charges for allogeneic bone marrow/stem cell transplants

#### **Expected Outcome:**

 Accurate estimate of allogeneic HSCT donor acquisition costs for future rate-setting for CY 2017 and subsequent years

# Questions?