On November 1, 2018, the Centers for Medicare & Medicaid Services (CMS) finalized its rule for the 2019 Physician Fee Schedule (PFS) and the Quality Payment Program (QPP). The Final Rule reflects an administration-wide strategy to improve accessibility, quality, affordability, empowerment, and innovation in the U.S. healthcare system. CMS states that this rule will modernize Medicare payment policies to promote access to virtual care, saving Medicare beneficiaries time and money while improving their access to high-quality services no matter where they live. Following are highlights of the final rule that may be of interest to AMCP members.

In the final rule, CMS acknowledges responses to its comment solicitation in the proposed rule on creating a bundled episode of care for management and counseling treatment for substance use disorders (SUDs). In letter to CMS on September 10, 2018, AMCP provided feedback regarding the use of a bundled episode of care payment to ensure patients with SUDs have access to care. AMCP supported the use of bundled episode of care payment for SUDs but encouraged CMS to consider increasing access to SUD treatment, recognition of certain services to be provided, and variabilities that could affect payment. CMS recognizes the variability in patient needs for treatment of SUDs from all comments received and will take the information into consideration for future rulemaking.

Additionally, CMS is implementing a provision from the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act through an interim final rule. The provision would allow telehealth service treatment for a SUD to be provided at the home of an individual for the first time starting in July 2019. Furthermore, the SUPPORT for Patients and Communities Act establishes a new Medicare benefit category for opioid use disorder treatment services provided by opioid treatment programs (OTPs). CMS is seeking input though the interim final rule on services furnished by OTPs beginning on January 1, 2020, payment structure for these services, and any additional conditions that may be useful for CMS when implementing this new Medicare category. Comments on the interim final rule may be submitted through December 31, 2018.

In terms of drug pricing, the Final Rule reduces wholesale acquisition cost (WAC)-based payment for newly-launched physician-administered drugs to 103% of WAC (from 106% of WAC). This policy change
will only impact drugs that do not have an average sales price (ASP). Once a drug has an ASP, payment will revert to 106% of ASP.

AMCP will continue to provide updates and additional resources on this final rule.

CMS created a fact sheet on the 2019 Physician Fee Schedule piece of the proposed rule as well as a separate fact sheet on the 2019 Quality Payment Program piece of the final rule.