

Medicare Payment Changes for 2018: Implications for Transplant Surgeons and Transplant Centers

Last week, the Centers for Medicare and Medicaid Services released final 2018 Medicare rates and policies under the Physician Fee Schedule (PFS) and the Hospital Outpatient Prospective Payment System (HOPPS), as well as changes that will impact implementation of payment adjustments in 2020, based on physician performance in 2018 under MACRA. This addresses changes in Medicare payment rates and policies under the PFS and HOPPS. The impact of changes in policy under MACRA will be addressed separately.

The final national average allowances for transplant procedures under the 2018 Medicare Physician Fee Schedule are set forth in the accompanying chart. With the exception of reimplantation of kidney (CPT 50380) (+4%) and partial removal of donor liver (+6.2%), Medicare allowances for transplant procedures will remain relatively flat in 2018. CMS also established a payment rate of \$2,657.85 for CPT codes 33927 (Implantation of a total replacement heart system (artificial heart) with recipient cardiectomy, and finalized a proposal to allow contractors to determine allowances on a local basis for CPT 33929 (Removal of a total replacement heart system (artificial heart) for heart transplantation), and 33928 (Removal and replacement of total replacement heart system (artificial heart)) to report artificial heart system procedures.

While Medicare payment changes for the professional services involved in the provision of transplantation will not change drastically in 2018, transplant surgeons associated with large academic institutions and those serving a disproportionate share of uninsured and underinsured patients may be indirectly affected by changes in Medicare payment for those institutions. For example, CMS finalized a proposal that will drastically cut Medicare payment for Part B drugs (including immunosuppressive drugs) furnished by 340B hospitals, slashing Medicare payment from Average Sales Price +6% to Average Sales Price -22%. In addition, the Medicare program will cut Medicare payment for clinics and other hospital-affiliated facilities that are located off-campus and that did not bill Medicare prior to November 2, 2016, and many of these off-site clinics tend to be operated by the larger academic institutions that house transplant center programs. ASTS had opposed both of these changes to hospital billing.

Comparison of 2017 RVUS to Final 2018 RVUS

CPT¹/ HCPCS	Description	Percent change 2017-2018	2018 Allowance
32851	Lung transplant, single	-0.4%	\$ 3,422.84
32852	Lung transplant with bypass	-1.0%	\$ 3,723.08
32853	Lung transplant, double	-0.7%	\$ 4,767.07
32854	Lung transplant with bypass	-0.8%	\$ 5,056.50
33935	Transplantation, heart/lung	-1.3%	\$ 5,131.38
33945	Transplantation of heart	-0.7%	\$ 5,046.42
47122	Extensive removal of liver	-0.4%	\$ 3,565.40
47125	Partial removal of liver	0.0%	\$ 3,206.84
47130	Partial removal of liver	-0.1%	\$ 3,444.08
47135	Transplantation of liver	-0.4%	\$ 5,579.22
47140	Partial removal, donor liver	6.2%	\$ 3,718.40
47141	Partial removal, donor liver	-0.3%	\$ 4,439.11
47142	Partial removal, donor liver	0.1%	\$ 4,890.19
47146	Prep donor liver/venous	0.0%	\$ 345.24
47147	Prep donor liver/arterial	0.1%	\$ 401.04
48552	Prep donor pancreas/venous	0.7%	\$ 246.96
48554	Transpl allograft pancreas	-0.2%	\$ 2,653.17
50320	Remove kidney, living donor	0.1%	\$ 1,565.98
50327	Prep renal graft/venous	-0.2%	\$ 226.44
50328	Prep renal graft/arterial	0.0%	\$ 198.72
50329	Prep renal graft/ureteral	0.0%	\$ 187.56
50340	Removal of kidney	0.2%	\$ 986.39
50360	Transplantation of kidney	0.0%	\$ 2,519.25
50365	Transplantation of kidney	0.1%	\$ 2,977.53
50370	Remove transplanted kidney	0.3%	\$ 1,255.67
50380	Reimplantation of kidney	4.0%	\$ 2,084.38