

**MEMORANDUM**

**To:** Kimberly A. Gifford, Executive Director  
American Society of Transplant Surgeons

**From:** Diane Millman  
Rebecca Burke

**Re:** Physician Fee Schedule Final Rates for 2014

**Date:** December 5, 2013

---

As you know, last week CMS released the final Physician Fee Schedule for CY 2014, including the final Relative Value Units (RVUs) for transplant procedures. A chart setting forth the final RVUs for transplant procedures is attached.

**SGR Adjustment:** The final rule announces a 20.1% reduction to the conversion factor used to determine Medicare rates as a result of the flawed SGR formula. However, due to rescaling of the RVUs, the aggregate impact for 2014 is closer to a 24 percent reduction. This means that if Congress freezes next year's conversion factor at this year's level, as it has in the past, there would be an estimated 4% reduction in aggregate Medicare payment for physicians' services next year.

**Reductions for Kidney Transplants:** The total RVUs for kidney transplantation (CPT 50360) will be reduced by about 10% as the result of revaluation by the CMS. This reduction appears to be primarily the result of an adjustment in the number of post-surgical visits assumed to be associated with kidney transplants. Both CMS and the RUC recognize that the work associated with the procedure itself is more extensive than the current fee schedule recognizes, but this factor is more than offset by the reduction in the number of post-surgical visits recognized by CMS. Under the circumstances, this result is exemplary. Many procedures that go through the revaluation process are reduced much more substantially.

**Other Transplant Services:** Generally, the RVUs for other transplant services will undergo marginal adjustment in 2014 (in the range of -3% to -5%), as the result of various policy changes and revaluations of other services which must be done in a budget neutral manner.

**Clinical Data Registries:** In the 2014 Physician Fee Schedule Final Rule, CMS also addresses another issue of interest to ASTS: the criteria for being a "qualified clinical data registry" (QCDR). Unfortunately, CMS did not substantially modify the QCDR requirements that it had

Kim Gifford  
December 5, 2013  
Page 2

proposed earlier this year. There are a number of elements of the final QCDR requirements that the SRTR would not meet, including the requirement that quality measures be reported on an individual basis—a requirement that is arguably mandated by the governing statute. In addition, the final QCDR regulations remain focused on reporting of process measures, requiring the reporting of at least nine measures across three NAQF “quality domains.”

Under the circumstances, it appears relatively clear that SRTR, in its current form, would not meet CMS’ QCDR requirements. Still, in light of the potential importance of this issue for ASTS members, we would recommend that ASTS meet with CMS to discuss this issue in further detail and to work out a path forward.