What is Happening with Pain Reimbursement at the Federal Level?

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Texas Pain Society

Disclosures

- Consultant Abbott Medical
- Minority Owner Advanced Pain Care
- Board of Directors American Society of Interventional Pain Physicians
- Board of Directors American Board of Interventional Pain Physicians
- Board of Directors Texas Pain Society (Chair of Legislative Affairs)

Outline

- CMS Reimbursement Schedule
- Coverage Process
  - AMA CPT
  - AMA RUC
  - CAC
- Peripheral Nerve Block Coverage

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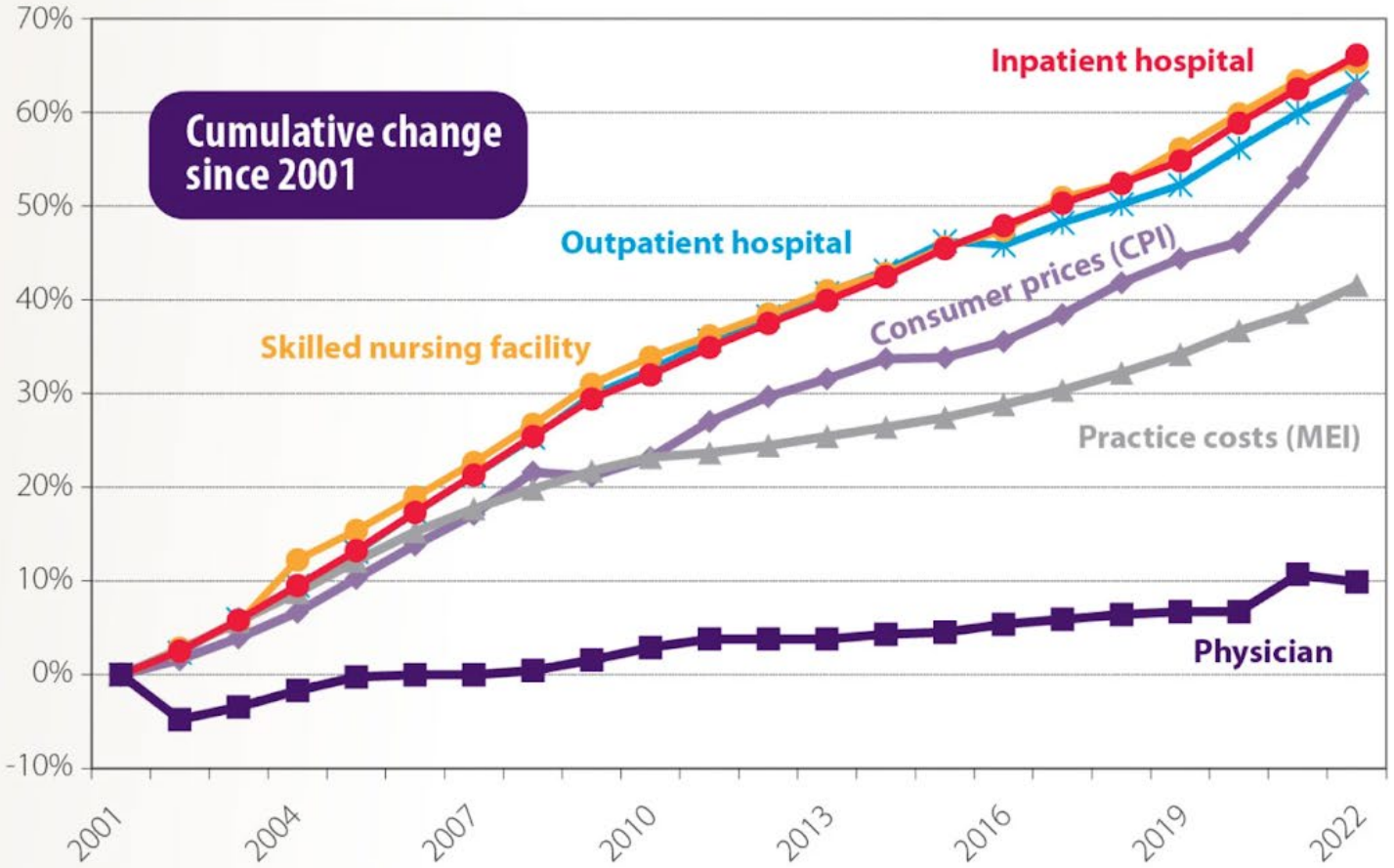
Medicare updates compared to inflation (2001–2022)

Adjusted for inflation in practice costs, Medicare physician payment declined 22% from 2001 to 2022.

AMA
AMERICAN MEDICAL ASSOCIATION



Sources: Federal Register, Medicare Trustees' Reports and U.S. Bureau of Labor Statistics, American Medical Association, Economic and Health Policy Research, September 2022.

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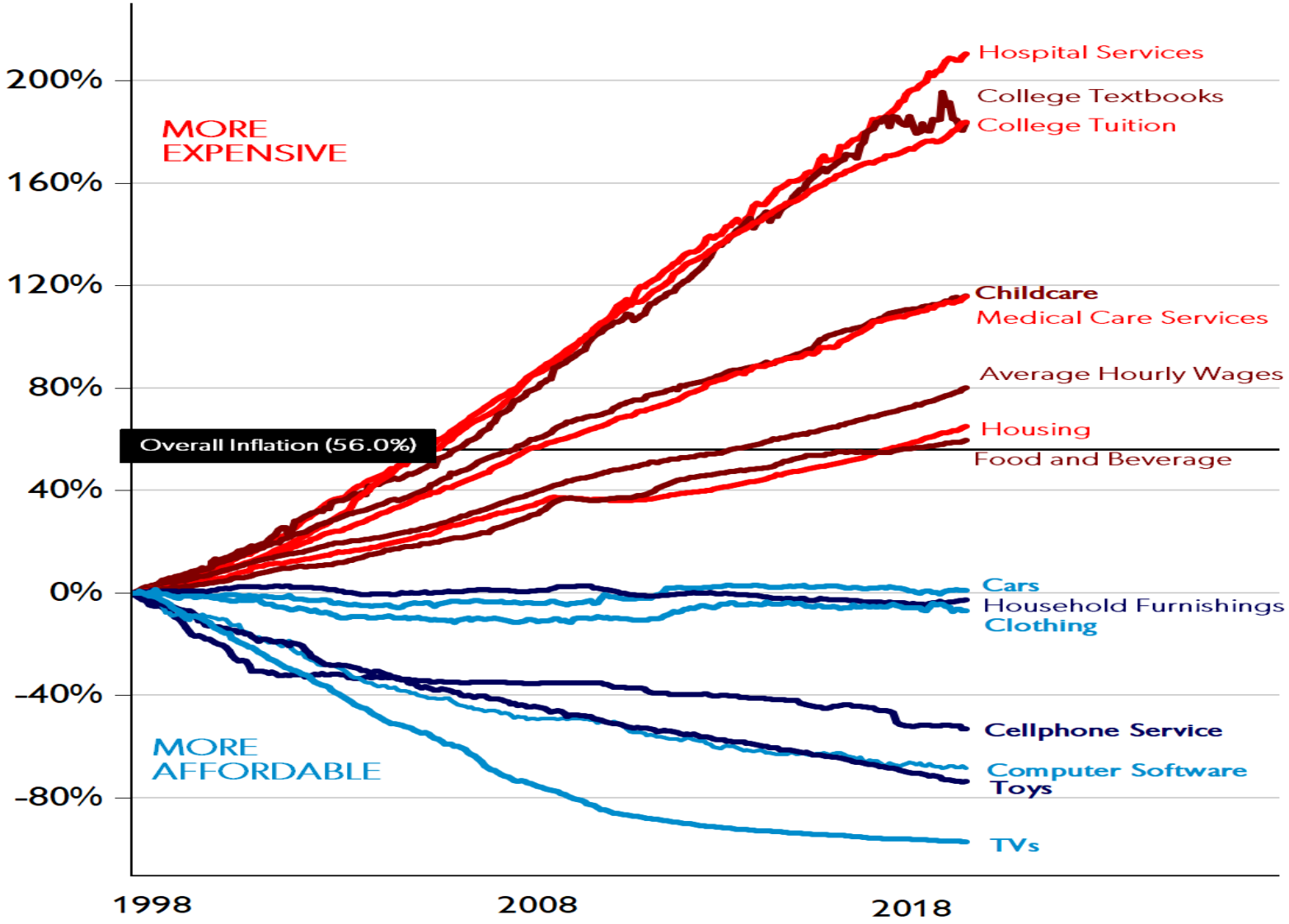
Price Changes (January 1998 to December 2018)

Selected US Consumer Goods and Services, Wages



Source: BLS

Carpe Diem AEI

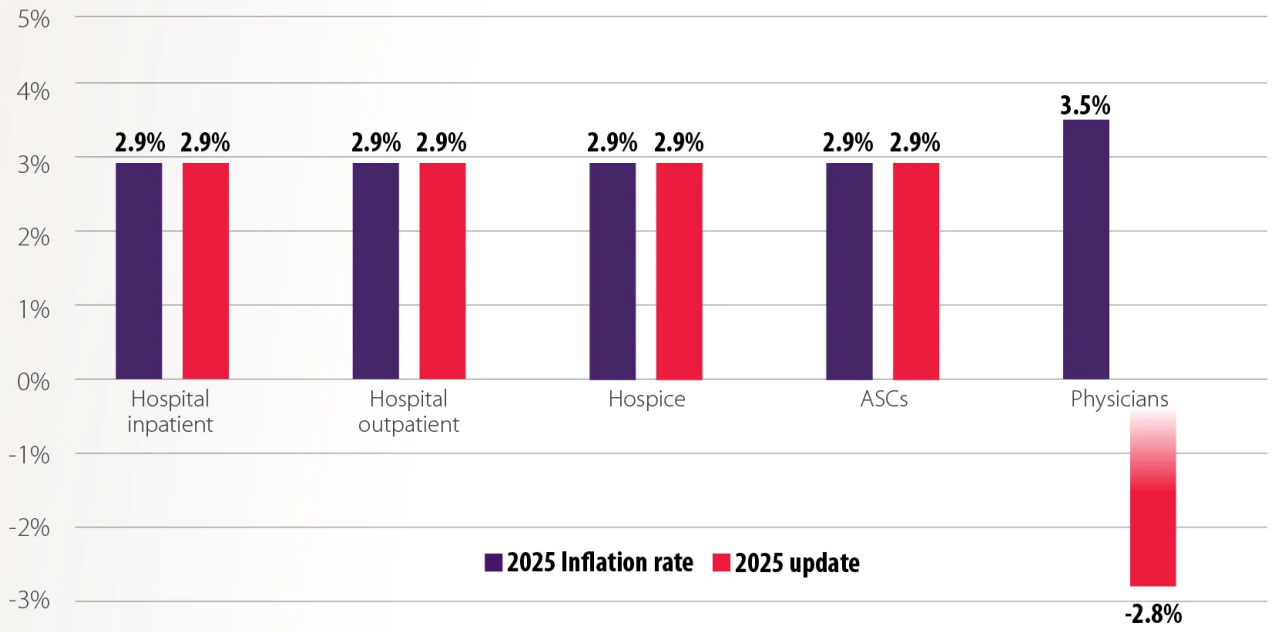
Medicare payment updates were issued to nearly all providers in 2025 EXCEPT physicians.

Medicare provider updates for 2025

Note:
Hospital inpatient, hospice, hospital outpatient and ASC inflation rates reflect market basket less a productivity adjustment.

Physician fee schedule inflation rate is the Medicare Economic Index, which has a productivity adjustment.

Potential adjustments for quality performance omitted for all provider types.



AMA AMERICAN MEDICAL ASSOCIATION

Updated Jan. 2025

We need to fix Medicare physician payment NOW.

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Physician Fee Schedule Fix

- Multiple proposals for inflationary correction for the physician fee schedule
- This must have a budgetary offset to gain acceptance in Congress
  - Fee Schedule Reform: $240 Billion
  - Elimination of Sequestration Cuts: $62 Billion
  - Extension of Telehealth: $20 Billion

  - Total Policy Changes: $322 Billion over 10 years

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Proposed Reforms for Budget Savings

- Cancellation of proposed 4.3% payment increase in 2026 for Medicare Advantage Plans: $21 Billion/yr, $210 Billion over 10 years
- Ending favorable selection practices: $44 Billion/year, $440 Billion over 10 years
- Reforming risk adjustment methodologies: $40 Billion/year, $400 Billion over 10 years

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AMA CPT Committee

AMA CPT committee is responsible for assigning CPT codes to distinct medical services

- Example: CPT code 64490 describes the injection of a diagnostic or therapeutic agent into a paravertebral facet (zygapophyseal) joint or its innervating nerves in the cervical or thoracic region with image guidance (fluoroscopy or CT).

Comprised of representatives from AMA recognized subspecialty societies

- Representatives are nominated by subspecialty societies

Meets three times annually

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AMA RUC

- The AMA RUC advises CMS for accurate valuation for medical services
- Comprised of representatives from AMA recognized subspecialty societies
  - Representatives are nominated by subspecialty societies
- Meets three times annually
- Representatives gain input from members from subspecialty societies for codes of interest via surveys covering premedical service work up, medical service time for the procedure, post procedure/service work and practice expense.
- Based on survey results a Relative Value Unit valuation is placed to a specific CPT Code
  - Example: for 2025, the work RVU for 64490 was 1.91. The Medicare Physician Fee Schedule (PFS) conversion factor for 2025 is $32.3465. Therefore for 2025, CMS will pay $61.78 for physician professional fee for 64400 on average between facility and non-facility locations and region of the country

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CAC-Contractor Advisory Committee

- Comprised of representatives from subspecialty societies invited by regional third-party administrative contractor organization for CMS.
  - Example: Novitas is responsible for CMS oversight and administration of medical services for Medicare enrollees in Texas
- Reviews medical evidence for specific CPT codes and develops medical coverage policies for those medical services, known as a Local Coverage Determination (LCD).
- For some selected codes, CMS supersedes the third-party administrator organizations and sets a National Coverage Determination (NCD) with input from a National CAC

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From Innovation to Practice

- New or redefined medical services must make their way through the CPT, RUC and CAC in order for that service to become recognized by CME as a compensable medical service
    - New service is assigned a CPT code beginning with a temporary T-code or Level III code for 1-3 years to determine utilization. Then transitions to a level I code
    - CPT code is surveyed for valuation by the AMA RUC
    - CAC determines medical policy for coverage and appropriate utilization of the CPT code

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Peripheral Nerve Blocks at Risk

- Multiple Medicare Administrative Contractors (MACs) have proposed new LCDs on peripheral nerve blocks and denervation
- “It is not reasonable and necessary for therapeutic PNBs, peripheral nerve denervation from ablation (RFA) or cyroneurolysis for the treatment of:
  - Occipital nerve
  - Stellate ganglion block
  - Trigeminal nerve block
  - Thoracic nerve denervation
  - Genicular nerve blocks, cyroneurolysis or ablation
  - Pudendal nerve block
  - Digital nerve block
  - Posterior tibial nerve block at the tarsal tunnel
  - Ulnar nerve block
  - Denervation of the trigeminal nerve for any diagnosis other than TN
  - Any other peripheral nerve blocks or denervation not listed above
- Exceptions: Regional anesthetic block, acute surgical pain, pain related to malignancy refractory to medical management

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Should Texas Care

YES

- When a majority of CMS administrative organizations have similar policies, LCDs often become NCDs
- Private payers often mimic CMS coverages, particularly for non-covered services

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What can we do

- Texas Physicians may respond to the open comment period of carriers outside of their region as concerned individuals
  - Be respectful
  - Identify yourself and your practice
  - Clearly express your concerns
  - Offer solutions
    - Withdraw the LCD
    - Modify the LCD to allow for 2 blocks followed by RFTC or PNS
    - Therapeutic procedures limited to patients who received 50% relief for diagnostic blocks
  - Provide literature references supporting the procedures
  - Conclude the letter by thanking the MAC for their consideration

  - Several Societies have sample letters that can be modified to fit response from Texas Physicians

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What Can We Do

- YOUR MEMBERSHIP MATTERS
  - TPS
  - TMA
  - ASIPP
  - ASRA
  - AAPM
  - ASA
  - NANS
  - AMA

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THANK YOU

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