Welcome to NHIA’s Talk Infusion Webinar:

Medicare Part B Transitional Reimbursement: 
Inside the New Law

Presented by 
the National Home Infusion Association

February 27, 2018
Today’s Presenters

• Varner Richards
  – CEO, Intramed Plus, Inc.
  – NHIA Board Chair

• Tyler J. Wilson
  – NHIA President and CEO

• Kendall Van Pool
  – NHIA Vice President of Government Affairs

• Bill Noyes
  – NHIA Vice President of Health Information Policy
Welcome

Varner Richards
CEO, Intramed Plus, Inc.
NHIA Board Chair
Lessons Learned and Looking Forward

Tyler J. Wilson
NHIA President and CEO
The New Law: Why did Congress Act?

- Direct lobbying
- Grassroots
- Third-party outreach
- Coalition building
- Public relations
- Congressional champions
- Resources
What Happens Now?

• Every new law is only a framework
• Implementation is the next step
• Federal agencies develop regulations
• Regulations spell out the specifics
NHIA Tackles the Regulatory Process

• CMS will develop the regulations
• NHIA aims to have input at every step
• Two roles for NHIA
  – Advocate
  – Provider of credible information to CMS
• NHIA serves as the intermediary between those directly affected by the new law and the agency developing the regulations
The Legislation and Regulation

Kendall Van Pool
NHIA Vice President
Government Affairs
A Brief History

• 21\textsuperscript{st} Century Cures Act
  – Section 5004 – Average Sales Price (ASP) for Medicare Part B Durable Medical Equipment (DME) infusion drugs (2017)
  – Section 5012 – Home infusion services reimbursement for clinical services associated with Part B DME infusion drugs (2021)
    • Provider status for home infusion providers
  – Policy shift needed to truncate the gap
Transitional Reimbursement

- Medicare Part B Improvement Act (H.R. 3178)
- Medicare Home Infusion Therapy Access Act (S. 1738)
  - Clinical services reimbursement starting in 2019
  - Temporary to bridge the gap to 2021
  - Prescriptive to ensure ease of implementation
Transitional Reimbursement

- Medicare Part B Improvement Act (H.R. 3178)
- Medicare Home Infusion Therapy Access Act (S. 1738)
Transitional Reimbursement
Transitional Reimbursement Regulations
Legislation & Regulation

Legislation
- Legislation are acts passed into law by Congress
- Legislation is usually written in fairly general terms to give regulators flexibility to implement the law within a broader scope of intent
- Usually a lengthy process

Regulation
- Regulations are rules promulgated by the executive branch (CMS)
- Can be issued more rapidly than legislation
- Can also be changed in an expedited manner
Legislation & Regulation

Legislation
• Includes general outline of:
  – Payment structure
  – Eligible provider
  – Drugs services reimbursement will be tied to

Regulation
• Will determine:
  – Codes and billing specifications
  – Final rates will come from regulation, but legislation is specific
  – Requirements to become an eligible provider, and how to document
  – In some cases regulation will restate legislation
Legislation & Regulation

• Transitional reimbursement is unique
• Legislation was fairly prescriptive in its text
  – Especially regarding service payment rates
• Legislation waive the traditional rule making process
Review of Legislation

- Effective January 1, 2019 stays in place until 21st Century Cures reimbursement is finalized

For purposes of clause (i), the period specified in this clause is the period beginning on January 1, 2019 and ending on the day before the date of the implementation of the payment system under paragraph (1)(A).
Review of Legislation

• Provider eligibility
  – Part B DME pharmacy provider
  – Maintains pharmacy licensure

“(F) ELIGIBLE HOME INFUSION SUPPLIERS.—In this paragraph, the term ‘eligible home infusion supplier’ means a supplier that is enrolled under this part as a pharmacy that provides external infusion pumps and external infusion pump supplies and that maintains all pharmacy licensure requirements in the State in which the applicable infusion drugs are administered.
Review of Legislation

• Services payment
  – Payment is for professional services, including nursing and patient training and education

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(2) The items and services described in this paragraph are the following:

(A) Professional services, including nursing services, furnished in accordance with the plan.
(B) Training and education (not otherwise paid for as durable medical equipment (as defined in subsection (n)), remote monitoring, and monitoring services for the provision of home infusion therapy and home infusion drugs furnished by a qualified home infusion therapy supplier.
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Review of Legislation

• Nursing
  – Nursing is included in the services reimbursement
  – Nursing is considered wholly separate from a home health stay
    • If using a home health agency for nursing it would be a subcontracting relationship
    • More regulations may come on this issue
Payment Methodology

• Legislative text is very descriptive
• Three payment categories
  – Based on physician fee schedule (CPT Codes)
    • Only to set rates, does not convey physician billing procedures and regulation to home infusion
  – Limited to Part B DME infusion drugs
Reimbursement Policy

Bill Noyes
NHIA Vice President
Health Information Policy
Payment Methodology

– Creates three payment categories,
– Assigns drugs to such categories,
– Assigns appropriate physician (HCPCS) codes to each payment category for rate setting; and
– Establishes a single payment amount for each such payment category for each infusion drug administration calendar day
Payment Methodology

- Creates three payment categories,
- Assigns drugs to such categories,
- Assigns appropriate physician (HCPCS) codes to each payment category for rate setting; and
- Establishes a single payment amount for each such payment category for each infusion drug administration calendar day
PAYMENT CATEGORY 1.—

The Secretary shall create a payment category 1 and assign to such category drugs which are covered under the Local Coverage Determination on External Infusion Pumps (LCD number L33794) and billed with the following HCPCS codes (as identified as of January 1, 2018, and as subsequently modified by the Secretary): J0133, J0285, J0287, J0288, J0289, J0895, J1170, J1250, J1265, J1325, J1455, J1457, J1570, J2175, J2260, J2270, J2274, J2278, J3010, or J3285.
The Secretary shall create a payment category 2 and assign to such category drugs which are covered under such local coverage determination and billed with the following HCPCS codes (as identified as of January 1, 2018, and as subsequently modified by the Secretary): J1555 JB, J1559 JB, J1561 JB, J1562 JB, J1569 JB, or J1575 JB.
Category 3 (Chemotherapy)

PAYMENT CATEGORY 3.—

The Secretary shall create a payment category 3 and assign to such category drugs which are covered under such local coverage determination and billed with the following HCPCS codes (as identified as of January 1, 2018, and as subsequently modified by the Secretary): J9000, J9039, J9040, J9065, J9100, J9190, J9200, J9360, or J9370.
Payment Methodology

– Creates three payment categories,
– Assigns drugs to such categories,
– Assigns appropriate physician (HCPCS) codes to each payment category for rate setting; and
– Establishes a single payment amount for each such payment category for each infusion drug administration calendar day.
Payment Amount

• Based on Physician Fee Schedule CPT administration codes
• Physician CPT codes ONLY used for rate setting, we will NOT be billing CPT codes
• New code will be created for each payment category (example - QXXX1, QXXX2, QXXX3)
Category 1 – Payment Amount

One unit of HCPCS code 96365 plus 3 units of HCPCS code 96366 (as identified as of January 1, 2018, and as subsequently modified by the secretary)

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Rate</th>
<th>Multiplier</th>
<th>Ext</th>
</tr>
</thead>
<tbody>
<tr>
<td>96365</td>
<td>Ther/proph/diag iv inf init</td>
<td>$74.16</td>
<td>1</td>
<td>$74.16</td>
</tr>
<tr>
<td>96366</td>
<td>Tx/proph/dg addl hr</td>
<td>$22.32</td>
<td>3</td>
<td>$66.96</td>
</tr>
</tbody>
</table>

Single payment amount (QXXX1) $141.12
Category 2 – Payment Amount

One unit of HCPCS code 96369 plus 3 units of HCPCS code 96370 (as identified as of January 1, 2018, and as subsequently modified by the secretary)

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Rate</th>
<th>Multiplier</th>
<th>Ext</th>
</tr>
</thead>
<tbody>
<tr>
<td>96369</td>
<td>Sc ther infusion up to 1 hr</td>
<td>$176.76</td>
<td>1</td>
<td>$176.76</td>
</tr>
<tr>
<td>96370</td>
<td>Sc ther infusion addl hr</td>
<td>$15.84</td>
<td>3</td>
<td>$47.52</td>
</tr>
</tbody>
</table>

**Single payment amount (QXXX2)** $224.28
Category 3 – Payment Amount

One unit of HCPCS code 96413 plus 3 units of HCPCS code 96415 (as identified as of January 1, 2018, and as subsequently modified by the secretary)

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Rate</th>
<th>Multiplier</th>
<th>Ext</th>
</tr>
</thead>
<tbody>
<tr>
<td>96413</td>
<td>Chemo/ Bio iv infusion 1 hr</td>
<td>$144.72</td>
<td>1</td>
<td>$144.72</td>
</tr>
<tr>
<td>96415</td>
<td>Chemo iv infusion addl hr</td>
<td>$31.68</td>
<td>3</td>
<td>$95.04</td>
</tr>
</tbody>
</table>

**Single payment amount (QXXX3)** $239.76
## Payment Amounts

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>General</td>
<td>$141.12</td>
</tr>
<tr>
<td>2</td>
<td>SQ IG</td>
<td>$224.28</td>
</tr>
<tr>
<td>3</td>
<td>Chemo</td>
<td>$239.76</td>
</tr>
</tbody>
</table>
## Category 1 – Drugs
### General Infusions

<table>
<thead>
<tr>
<th>HCPCS Code</th>
<th>Drug</th>
<th>HCPCS Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>J0133</td>
<td>Acyclovir</td>
<td>5 MG</td>
</tr>
<tr>
<td>J0285</td>
<td>Amphotericin B</td>
<td>50 MG</td>
</tr>
<tr>
<td>J0287</td>
<td>Amphotericin b lipid complex</td>
<td>10 MG</td>
</tr>
<tr>
<td>J0288</td>
<td>Amphotericin b cholesteryl Sul</td>
<td>10 MG</td>
</tr>
<tr>
<td>J0289</td>
<td>Amphotericin b liposome</td>
<td>10 MG</td>
</tr>
<tr>
<td>J0895</td>
<td>Deferoxamine mesylate</td>
<td>500 MG</td>
</tr>
<tr>
<td>J1170</td>
<td>Hydromorphone</td>
<td>4 MG</td>
</tr>
<tr>
<td>J1250</td>
<td>Dobutamine HCL</td>
<td>250 MG</td>
</tr>
<tr>
<td>J1265</td>
<td>Dopamine</td>
<td>40 MG</td>
</tr>
<tr>
<td>J1325</td>
<td>Epoprostenol</td>
<td>0.5 MG</td>
</tr>
</tbody>
</table>
## Category 1 – Drugs (continued)
### General Infusions

<table>
<thead>
<tr>
<th>HCPCS Code</th>
<th>Drug</th>
<th>HCPCS Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>J1455</td>
<td>Foscarnet sodium</td>
<td>1000 MG</td>
</tr>
<tr>
<td>J1457</td>
<td>Gallium nitrate</td>
<td>1 MG</td>
</tr>
<tr>
<td>J1570</td>
<td>Ganciclovir sodium</td>
<td>500 MG</td>
</tr>
<tr>
<td>J2175</td>
<td>Meperidine hydrochloride</td>
<td>100 MG</td>
</tr>
<tr>
<td>J2260</td>
<td>Milrinone lactate</td>
<td>5MG</td>
</tr>
<tr>
<td>J2270</td>
<td>Morphine sulfate</td>
<td>10 MG</td>
</tr>
<tr>
<td>J2274</td>
<td>Morphine sulfate, preservative-free, epidural or intrathecal</td>
<td>10 MG</td>
</tr>
<tr>
<td>J2278</td>
<td>Ziconotide</td>
<td>1 Microgram</td>
</tr>
<tr>
<td>J3010</td>
<td>Fentanyl citrate</td>
<td>0.1 MG</td>
</tr>
<tr>
<td>J3285</td>
<td>Treprostinil</td>
<td>1 MG</td>
</tr>
</tbody>
</table>
## Category 2 – Drugs

### Subcutaneous IG

<table>
<thead>
<tr>
<th>HCPCS Code</th>
<th>Drug</th>
<th>HCPCS Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>J1555 JB</td>
<td>Cuvitru</td>
<td>100 MG</td>
</tr>
<tr>
<td>J1559 JB</td>
<td>Hizentra</td>
<td>100 MG</td>
</tr>
<tr>
<td>J1561 JB</td>
<td>Gamunex/ Gammaked</td>
<td>500 MG</td>
</tr>
<tr>
<td>J1562 JB</td>
<td>Vivaglobin</td>
<td>100 MG</td>
</tr>
<tr>
<td>J1569 JB</td>
<td>Gammagard liquid</td>
<td>500MG</td>
</tr>
<tr>
<td>J1575 JB</td>
<td>Hyqvia</td>
<td>100 MG</td>
</tr>
</tbody>
</table>
# Category 3 – Drugs Chemotherapy

<table>
<thead>
<tr>
<th>HCPCS Code</th>
<th>Drug</th>
<th>HCPCS Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>J9000</td>
<td>Doxorubicin hcl</td>
<td>10 MG</td>
</tr>
<tr>
<td>J9039</td>
<td>Blinatumomab</td>
<td>1 Microgram</td>
</tr>
<tr>
<td>J9040</td>
<td>Bleomycin sulfate</td>
<td>15 UNITS</td>
</tr>
<tr>
<td>J9065</td>
<td>Cladribine</td>
<td>1 MG</td>
</tr>
<tr>
<td>J9100</td>
<td>Cytarabine hcl 100 MG inj</td>
<td>100 MG</td>
</tr>
<tr>
<td>J9190</td>
<td>Fluorouracil injection</td>
<td>500 MG</td>
</tr>
<tr>
<td>J9200</td>
<td>Floxuridine injection</td>
<td>500 MG</td>
</tr>
<tr>
<td>J9360</td>
<td>Vinblastine sulfate inj</td>
<td>1 MG</td>
</tr>
<tr>
<td>J9370</td>
<td>Vincristine sulfate 1 MG inj</td>
<td>1 MG</td>
</tr>
</tbody>
</table>
Other Drugs

INFUSION DRUGS NOT OTHERWISE INCLUDED.- With respect to drugs that are not included in payment category 1, 2, or 3 the secretary shall assign to the most appropriate of such categories.

- Not otherwise classified (NOC) codes: J7799 and J7999

- Home infusion drug added to EIP LCD after implementation
Adjusters

• No adjusters in transitional reimbursement

• CURES 2021
  – Directs use of geographic adjuster
  – Other adjusters possible
Copays

• Medicare Part B 20% copay applies
Other Payers

• Medicaid
• Tricare
Implementation

• NHIA Reimbursement Committees
  – recommendations at to how to operationalize

• CMS
  – Navigating the implementation process
  – Identify CMS division/personnel responsible for implementation
  – Request interaction, help guide CMS
What’s Next for Capitol Hill?

• Hill and White House can help on implementation
  – If CMS is going the wrong policy direction
  – Implementation timeline slippage
What’s Next for Capitol Hill?

• Prepare introduction of the Part D bill
  – Legislative text alterations (garner Hill buy-in)
  – New House Republican lead
  – Build original cosponsorship number

• Election year dynamics
Tyler J. Wilson
NHIA President and CEO
QUESTIONS

Use webinar platform to submit written questions

2018 NHIA Annual Conference

April 23-26, 2018 • Phoenix, Arizona

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April 23-26, 2018 | Phoenix, Arizona

www.nhia.org/ac18

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