

Request for Level 6 Neurostimulator and Related Procedures APC

ADVISORY PANEL OF THE HOSPITAL OUTPATIENT PAYMENT PRESENTATION
NEUROMODULATION PAYMENT POLICY (NPP) COALITION

AUGUST 26-27, 2024

NPP Coalition

- NPP Coalition was formed in 2019, and includes companies with stimulation technologies to treat a range of diseases
 - CVRx – Barostimulation for heart failure
 - LivaNova – Vagus nerve stimulation for epilepsy and treatment resistant depression
 - ZOLL Respocardia – Phrenic nerve stimulation for central sleep apnea
 - Microtransponder – Paired vagus nerve stimulation for stroke therapy
- Purpose is to analyze the CMS hospital outpatient APC structure related to stimulation technologies and to recommend changes to better reflect hospital resource requirements, thereby helping to ensure Medicare beneficiaries have access to these technologies

APC 5465 Procedures

- APC 5465 includes a collection of stimulation technologies that treat a wide range of diseases (e.g., pain, epilepsy, obstructive sleep apnea, etc.)
- Payment level is driven by 3 procedures that comprise 96% of total claims
 - This has created payment disparities for several low volume procedures that require significantly higher hospital resources than these three procedures
- CMS recognized the beneficiary access this causes for two technologies, and reassigned them from APC 5465 to New Technology APCs at the expiration of their TPT periods
 - CY 2023 – CPT code 0424T was assigned to APC 1581 (\$55,001)
 - CY 2024 – CPT code 0266T and 0424T/33276 were assigned to APC 1580 (\$45,001)
 - For CY 2024, the HOP Panel recommended reclassification of 0266T to APC 1580

CY 2025 APC Assignment

- For CY 2025, CMS has preliminarily determined that five APC levels are sufficient
- In addition, CMS is proposing to reclassify 0266T and 0424T/33276 back to APC 5465 from 1580, representing a 31% decrease in payment
 - CMS provided little rationale for this decision after reclassifying these procedures in CY 2023 and CY 2024
- This significant of a difference between the costs to provide these services to Medicare patients and the payment received will create barriers to access
 - There is an additional procedure (64568) that is in the same position

CY 2025 Proposed APC Assignment

The proposed APC assignment creates a significant financial loss that cannot “average out” with other procedures in this APC

CPT Code	Description	Final CY 2024			Proposed CY 2025		
		GMC	APC Assignment and Payment	Difference between GMC and Payment	GMC	APC Assignment and Payment	Difference between GMC and Payment
0266T	Carotid sinus stimulation	\$45,502	1580 / \$45,001	(\$501)	\$41,069	5465 / \$30,198	(\$10,871)
0424T/ 33276	Phrenic nerve stimulation	\$44,287	1580 / \$45,001	\$714	\$45,816	5465 / \$30,198	(\$15,618)
64568	Vagus nerve stimulation	\$45,175	5465 / \$29,586	(\$15,589)	\$44,127	5465 / \$30,198	(\$13,929)

CY 2025 Proposed APC 5465

APC / CPT	Description	2025 Proposed (CMS-1809-P)				
		Single Claims	% of claims in APC	Geometric Mean Cost (GMC)	% of APC GMC	Absolute Diff. from APC GMC
5465	Level 5 Neurostimulator and Related Procedures APCs	18,501	100%	\$31,223	NA	NA
63685	Insrt/redo spine n generator	10,121	54.7%	\$30,269	97%	(\$954)
64582	Opn mpltj hpglsl nstm ary pg	4,534	24.5%	\$33,961	109%	\$2,738
61886	Implant neurostim arrays	3,156	17.1%	\$28,529	91%	(\$2,694)
0266T	Implt/rpl crtd sns dev total	256	1.4%	\$41,069	132%	\$9,847
64568	Opn impltj crnl nrv nea&pg	211	1.1%	\$44,127	141%	\$12,905
0424T / 33276	Insj phrnc nrv stim sys	102	0.6%	\$45,816	147%	\$14,594
6459X	Complexity adjustment	52	0.3%	\$44,586	143%	\$13,364
6188E	Complexity adjustment	26	0.1%	\$38,845	124%	\$7,622
0431T / 33287	Rmv & rplcmt phrnc nrv stim pg	26	0.1%	\$38,644	124%	\$7,421
0427T / 33287	Rmv& rplcmt phrnc nrv stim pg	9	0.0%	\$58,372	187%	\$27,149
0268T	Implt/rpl crtd sns dev gen	8	0.0%	\$30,949	99%	(\$274)

3 procedures represent 96% of total claims in the APC, all of which are +/- 10% of the GMC of the APC, which in turn drives the GMC and payment level for APC 5465

A New Level 6 APC Distributes Costs More Evenly Across all Stimulation Technologies

- Analysis of reclassifying three procedures* with a GMC > \$40,000 to a new Level 6 Neurostimulator and Related Procedures APC (5466) provides a more reasonable payment level for these services compared to APC 5465
- A new APC level will help ensure Medicare patient access to these therapies

APC	Neurostimulator and Related Procedures	CMS Proposed 2025		NPP Request for 2025		Difference from Prop APC 5465
		Single Claims	GMC	Single Claims	GMC	
5461	Level 1	4,524	\$3,653	4,524	\$3,653	\$0
5462	Level 2	12,714	\$6,780	12,714	\$6,780	\$0
5463	Level 3	1,690	\$13,472	1,690	\$13,472	\$0
5464	Level 4	13,108	\$21,778	13,108	\$21,778	\$0
5465	Level 5	18,501	\$31,223	17,932	\$30,907	(\$316)
5466	Level 6	----	----	569	\$43,013	\$11,790

*CPT codes 0266T, 0424T/33276 and 64568

Request Summary

- We request that the Panel recommend to CMS to create a Level 6 Neurostimulator and Related Services APC effective January 1, 2025
- This new APC should include CPT codes 0266T, 33276 and 64568 based on the GMC of each procedure
- We believe that creating this new APC aligns with CMS' intent to:
 - Provide a smoother distribution of costs between the levels based on their resource costs
 - Provide payment stability over time
 - Ensure continued Medicare beneficiary access to these critical stimulation system technologies