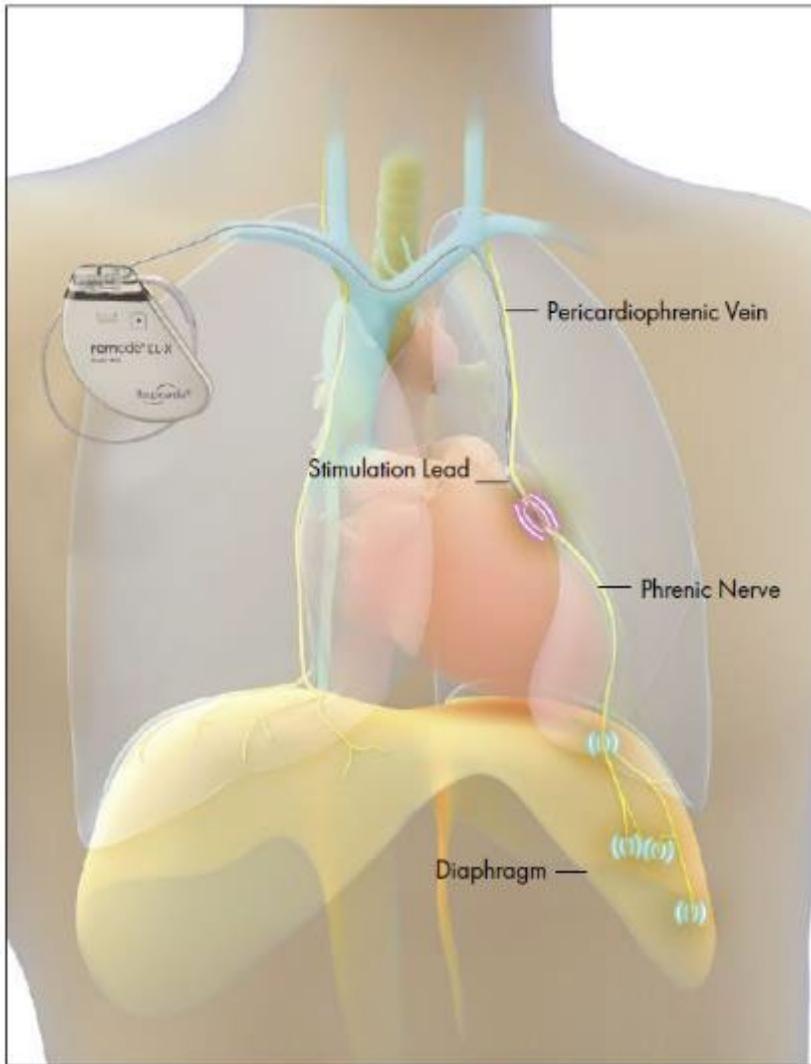


CY 2025 APC Request for CPT 33276

Advisory Panel on Hospital Outpatient Payment
August 26-27, 2024

ZOLL[®]
an Asahi Kasei company

Transvenous phrenic nerve stimulation (TPNS) with the remedē System



- Central Sleep Apnea (CSA) is a **relatively rare disease** found in only 1.3% of Medicare sleep apnea diagnoses with only a subset indicated for phrenic stimulation therapy
 - Low volume procedure, 102 single claims in 2023
- Untreated CSA causes **life altering levels of fatigue** as well as increased health risks for patients with heart failure and atrial fibrillation
- **The remedē System** is an **implantable system** with an indication to treat moderate to severe CSA in adults; received U.S. FDA PMA approval October 2017
 - Often the last treatment option after others have failed
- Implant procedure described by **CPT Code 33276** effective January 2024 (predecessor code 0424T)

The procedure cost of over \$45k is significantly higher than the proposed CY 2025 payment for APC 5465

- CMS proposed moving 33276 from APC 1580 with a payment of \$45,000 to APC 5465 (Level 5 Neurostimulator) with payment of \$30,198 for CY 2025
- The CY 2023 claims data shows a procedure geometric mean cost (GMC) of \$45,816, significantly higher than the CY 2025 payment for APC 5465
- The proposed assignment to APC 5465 for the implant procedure creates significant financial disincentive for hospitals to offer TPNS to Medicare patients

CMS 1809-P	Single Claims	Amount
Proposed Payment for APC 5465 for CY 2025	N = 18,501 (100%)	\$30,198
GMC of CPT Code 0424T (replaced by 33276)	N = 102 (0.6%)	\$45,816
Difference (Financial Loss to the Hospital per Procedure)		(\$15,618)

*CPT code 0424T is the predecessor code to CPT code 33276 which was activated January 1, 2024

Historically, CMS has addressed the gap between costs and payment to ensure Medicare beneficiary access to TPNS

- CMS has ensured Medicare beneficiary access in the past by ensuring adequate payment for hospitals offering TPNS to their patients
 - 2019 – 2022 → Transitional Passthrough Payment
 - 2023 → Assignment to New Tech APC 1581
 - 2024 → Assignment to New Tech APC 1580
- A move to APC 5465 will likely impact access to TPNS for Medicare beneficiaries
 - Hospitals and providers make independent decisions on whether to offer individual technologies based on the resources required for each therapy
 - Hospitals have expressed concern with the drastic change in payment and the significant difference between cost and payment
 - Many are uncertain if they will continue to offer TPNS to their Medicare patients
- We understand the APC system is meant to average out procedures. However, TPNS is uniquely and adversely impacted by this methodology because it represents only 0.6% of the claims for the proposed CY 2025 APC 5465

CY 2024 Final Rule: “...For CY 2023...we also recognized that CPT code 0424T was not appropriately assigned to the Comprehensive APC 5465 based on a significant difference between its geometric mean cost and that of the APC”¹

1. CY 2024 OPPS Final Rule, CMS-1786-FC, p.81646.

Request Summary

We request the HOP Panel recommend CMS maintain CPT code 33276 in New Technology APC 1580 for CY 2025, given the disparity between the \$45,816 procedure cost and the proposed APC 5465 payment of \$30,198.

- The New Technology APC 1580 pay band provides more appropriate payment to hospitals for TPNS. It is consistent with the claims for CPT 0424T and ensures continued Medicare beneficiary access.
- This request is to maintain assignment to New Technology APC 1580 for CPT 33276 while additional claims data are collected for low volume new therapies in the neurostimulator APC group.
- Not providing adequate payment to hospitals for this procedure will create a strong disincentive and discourage the very access to care for Medicare beneficiaries that CMS aims to facilitate.
- We also support creation of a Level 6 Neurostimulator APC as a permanent solution to this challenge.