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# Global Payment Equity

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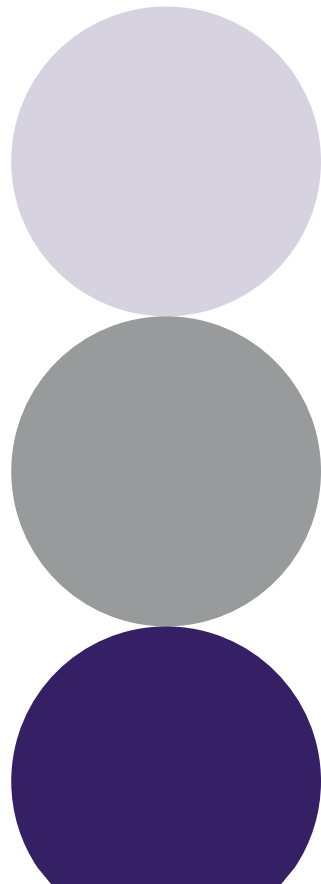
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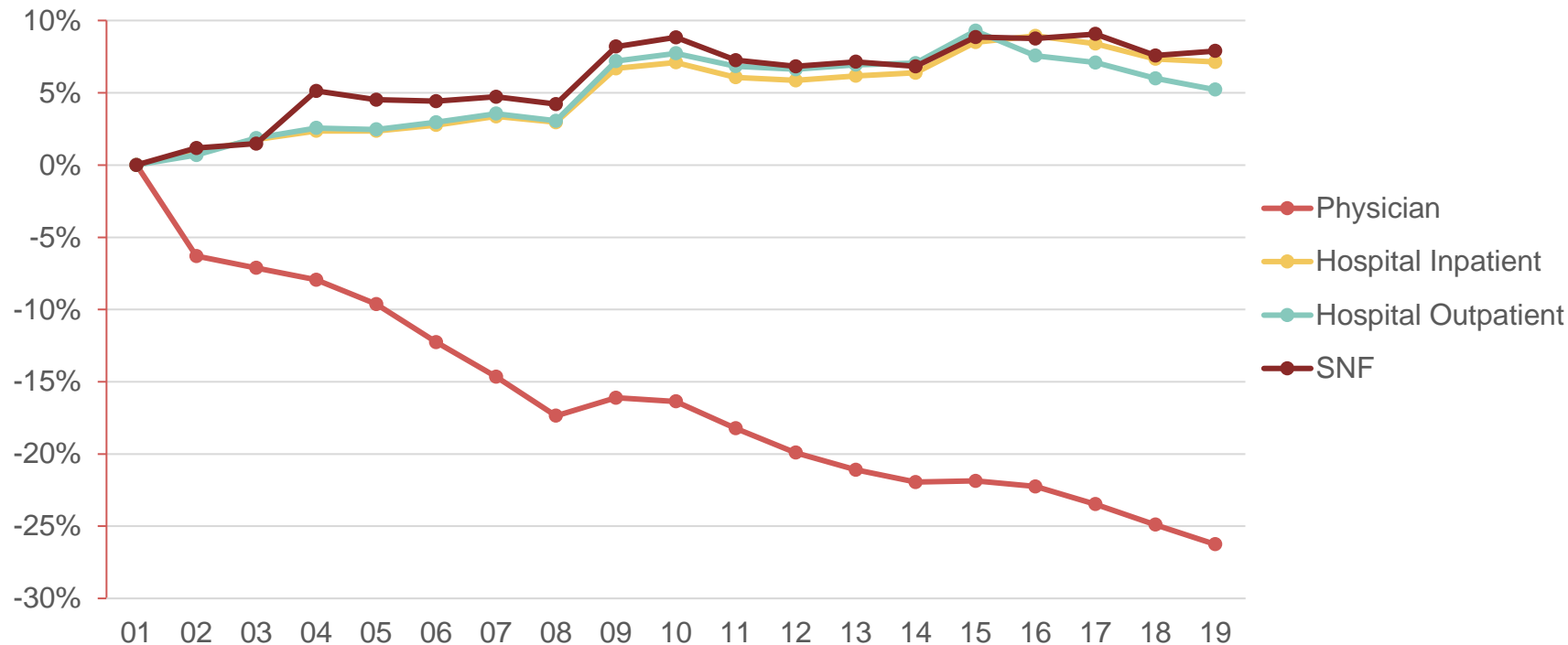


# Current Financial Pressures Facing Ophthalmology Practices

- CY 2022 reduced CF
- Expiration of the extended moratorium on the 2% Medicare sequestration cuts
- Expiration of the one-year 3.75% payment boost Congress applied to all codes in 2021
- A new statutorily mandated 4% cut for Medicare providers because the recently passed COVID-19 relief package increased the deficit
- Repayment of Accelerated and Advanced Payment loans
- No application of E/M payment boost (equity) to postoperative visits in the global period of surgical codes for Ophthalmology and other surgeons



# CPI-Adjusted Medicare Payment Updates

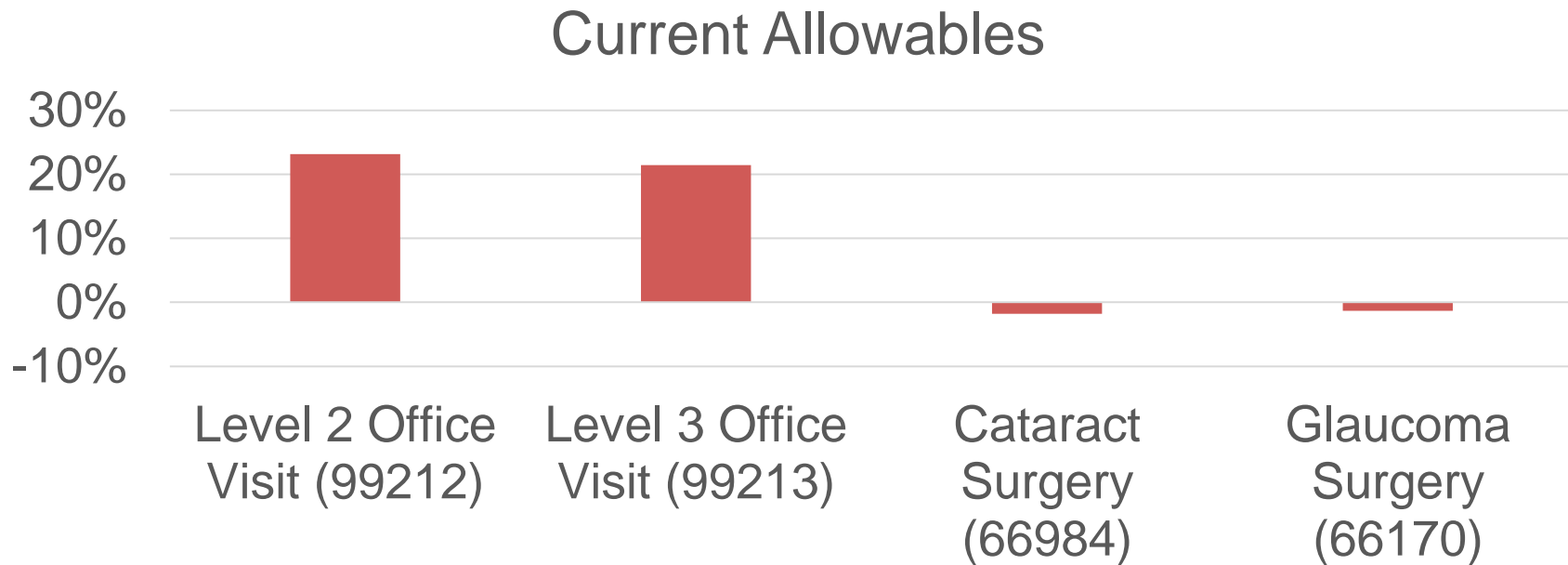




**Ophthalmology services are a good example of why CMS' current policy to withhold payment equity for post op office-visits in the global period is flawed.**

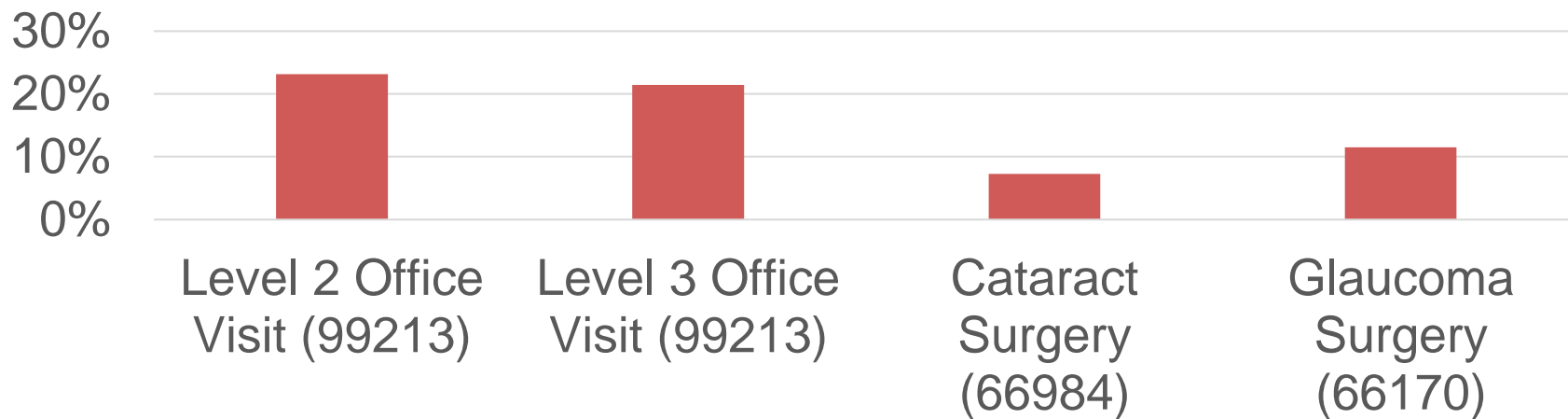


# Percentage Change: 2020 to 2021



# Percentage Change: 2020 to 2021

With Equity for Postoperative Care (no change in CF)



# Retinal Detachment Surgery

*Prophylaxis of retinal detachment (eg, retinal break, lattice degeneration) without drainage;*

*CPT<sup>©</sup> code 67141 cryotherapy, diathermy*

*CPT<sup>©</sup> code 67145 photocoagulation*



# Retinal Detachment Surgery



- Revalued at the October 2020 RUC meeting, goes into effect in 2022
- The new payment for the work value of these procedures, using the Medicare values for postoperative visits that are unadjusted to reflect the new E&M values, will result in the surgeon receiving **LESS** pay for physician work under the “global” surgical package than if **NO** claim were submitted for the surgery and the two postoperative visits typically performed were reported as stand-alone **level 3 E&M** office visits
- This implies that the value of the surgery itself is less than zero





# Cataract Surgery

*CPT® codes 66982, 66984, 66987, and 66988*



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# Cataract Surgery



- CMS revalued cataract surgery payment in 2019 and agreed with the AMA-RUC recommendation, based on robust survey data, that ophthalmologists are providing **three E&M post-operative visits** within the 090-day global period
- Specifically, **one level 3 and two level 2 E&M postoperative visits**
- Because CMS accepted this revaluation of the cataract surgery payment, there is no reason to pay ophthalmologists less for level 2 and 3 E&M visits than other physicians providing the same level of service
- The Medicare statute specifically prohibits CMS from paying physicians differently for the same work



# Strabismus Surgery

*CPT<sup>®</sup> codes 67311, 67312, 67314, 67316, 67318, +67320, +67331, +67332, +67334, +67335, and +67340*





# Analysis of Strabismus Surgery Payment

- Revalued at the October 2020 RUC for 2022
- AAO estimated the impact resulting from the RUC wRVU recommendations for the strabismus surgery code family
- We assessed the impact these reductions could have on Medicaid rates
- Evaluated how these reductions could be mitigated if the agency incorporated the office/outpatient evaluation and management (E/M) code payment increases that were implemented on January 1, 2021, to the office visits assigned to the global period of the strabismus surgery code family



# Payment Reductions and Children's Access to Care

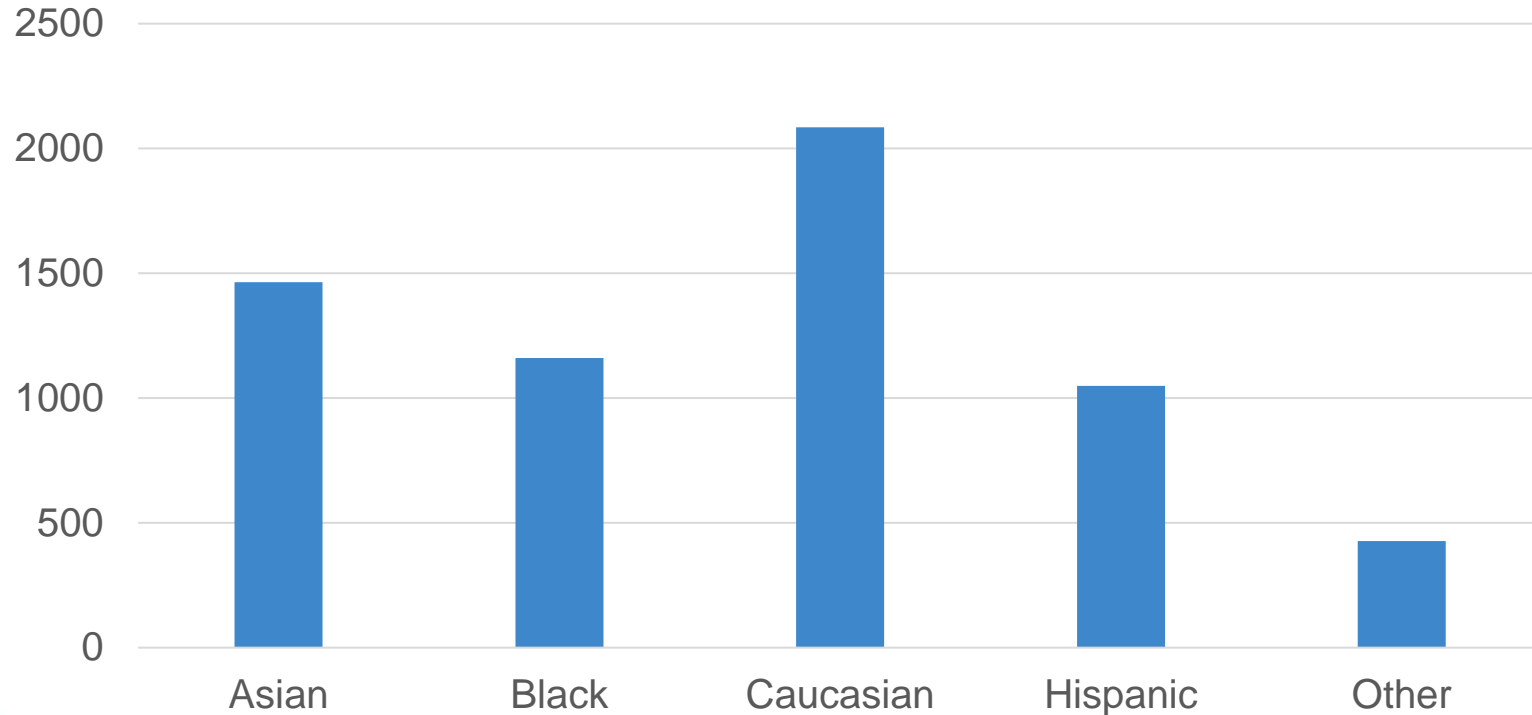


- The projected payment reductions to the strabismus surgery code family in CY 2022 are significant; reductions range from **-2% to -61%**
- Payment reductions will have a disproportionate impact on pediatric ophthalmic surgery practices, particularly those serving **Medicaid** recipients
- Medicaid patients already face barriers to treatment for a variety of factors including limited provider participation due to lower reimbursement rates ~~in~~ compared with Medicare and commercial rates
  - Pediatric strabismus surgery is one of the most common ophthalmic pediatric procedures affecting many of the 2-4% of children who have strabismus



# Disparity in Access to Eye Care

## IRIS<sup>®</sup> Registry: Eye Care Visits/100,000



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# Challenges Facing Pediatric Ophthalmologists

## **Factors exacerbating the negative impact of reduced strabismus surgery wRVUs**

Disparities in the diagnosis of pediatric strabismus

- Limited number of pediatric ophthalmologists across the country
- COVID-19's economic effects
  - Pediatric ophthalmology was the most shut down of all Ophthalmology subspecialties during the pandemic
  - Medicaid and CHIP providers obtained much less Provider Relief Fund benefits than Medicare providers



# Incorporation of E/M Increases to Strabismus Surgery Code Family

Organized medicine united in recommending updated E/M values be applied to global codes

Incorporating E/M increases for Medicaid services would still result in over \$1 million in program savings while helping pediatric ophthalmologists continue to provide these services

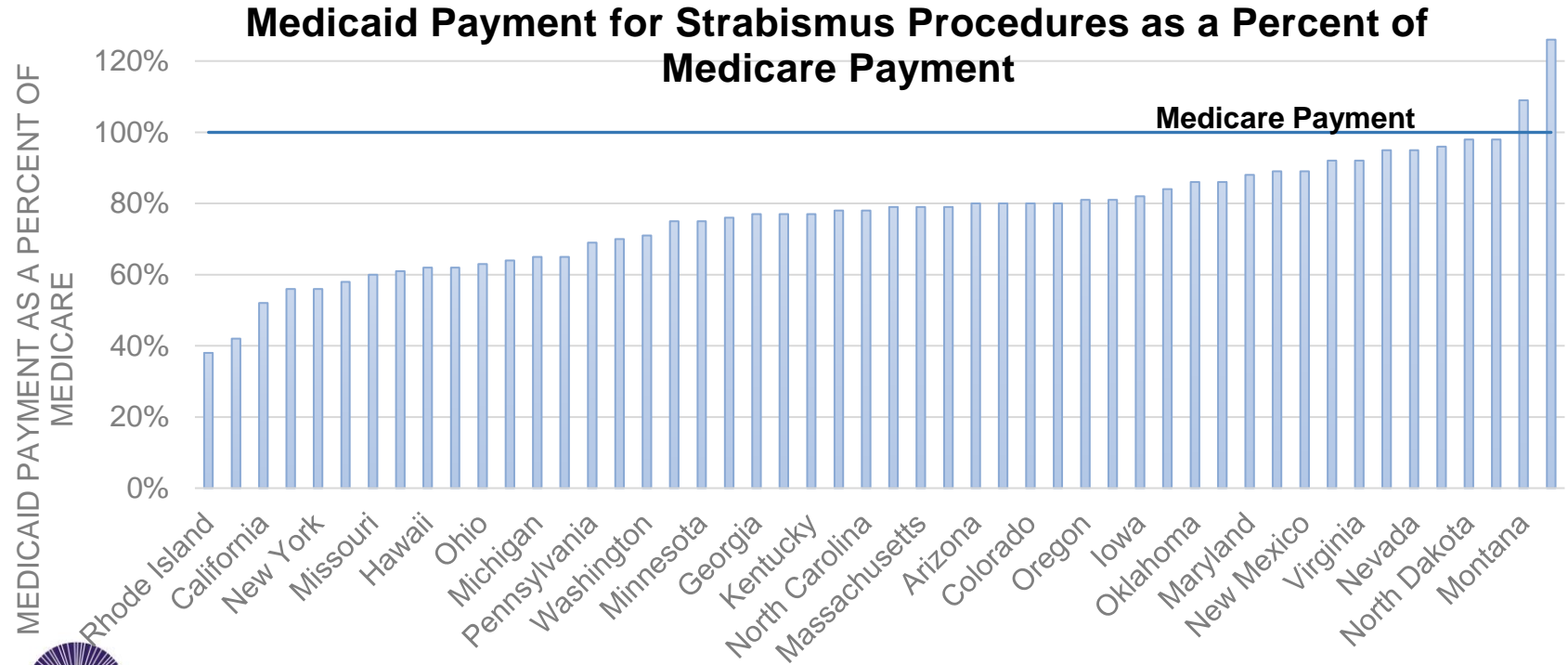
Incorporation of E/M increases would mitigate losses from current financial pressures and the recent revaluation

Impact of Post-Op E/M Increase Incorporated						
	2021-2022 wRVU Reductions (estimated)			2021-2022 Program Savings (estimated)		
	Without E/M Increase	With E/M Increase	Difference	Without E/M Increase	With E/M Increase	Difference
Medicare	(23,348)	(16,051)	(7,297)	\$(814,672)	\$(560,066)	\$(254,606)
Medicaid	(79,517)	(48,271)	(31,246)	\$(2,774,586)	\$(1,684,325)	\$(1,090,261)





# Medicaid Pays Less Than Medicare in 48 States



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Source: Medicaid-to-Medicare Fee Index (2016). Kaiser Family Foundation. <https://www.kff.org/medicaid/state-indicator/m Medicaid-to-medicare-fee-index/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

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# Medicaid and Health Equity

- At the heart of health equity is a system in which everyone has an equal opportunity to be as healthy as possible
  - The Medicaid program provides access to healthcare for some of the most vulnerable populations in the country
- President Biden's commitment to expand health equity and minimize health disparities is inextricably linked to the Medicaid program
  - Drastic reimbursement cuts for strabismus services-threatens to disrupt these efforts
- Protecting Medicaid reimbursement is essential to addressing the existing health disparities in the program in general and with access to the diagnosis and treatment of pediatric strabismus specifically
  - These disparities in diagnosis are based on both socioeconomic status and race. Research shows that rates of strabismus in lower income households reflect under-diagnosis

**Without the justifiable adjustment for postoperative visits, we expect existing disparities in the diagnosis and treatment of pediatric strabismus to be exacerbated**





# Broader Disparities Exist in Ophthalmology

- Glaucoma is particularly prevalent among African Americans and in other populations of people of African descent worldwide
  - Glaucoma occurs in the U.S. Black and Latinx population at a significantly higher rate than in whites, with studies showing three to four times greater prevalence of the disease in blacks than in whites and a six times-greater risk for blindness
  - A recent study showed Medicaid patients were less likely to receive a visual field or optic nerve imaging to test for glaucoma compared to patients who had commercial (private) insurance
    - Medicaid patients were approximately 3.3 times less likely to receive one of these tests compared to commercial insurance patients
    - Moreover, Black Medicaid patients had even higher odds of not receiving these tests compared to white or Latinx/Hispanic patients

**These inequities in the quality of health care for glaucoma patients are unacceptable**





# Considerations for CMS

- The American Academy of Ophthalmology strongly recommends that CMS reconsider its current policy and immediately apply the E/M office visit payment increases to the post-operative visits included in the 010- and 090-day global surgical codes
- This move is critical to maintaining the relativity in the Medicare Physician Fee Schedule and to ensure that physicians are paid equitably for providing equivalent services
- CMS must protect provider payments for practices who are continuing to experience financial challenges from COVID-19



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