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AOPA In Advance SmartBrief *Breaking News* January 2, 2018

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Reminder to Pay Annual Membership Dues for 2018

With the busy holiday season behind us, now is a good time to double check whether you've paid your AOPA dues for 2018. It is not too late and there are several options for payment. Members can log in with your username and password at <u>www.aopanet.org</u>, send a fax via (571) 431-0899, or give us a quick call at (571) 431-0876. You can also mail us a check to our address found on our website.

If you need assistance or have questions about your 2018 membership invoice, please contact us at <u>bleppin@A0PAnet.org</u> or 571-431-0810.

CMS Releases the 2018 Medicare DMEPOS Fee Schedule

The Centers for Medicare and Medicaid Services (CMS) has released the 2018 Medicare DMEPOS fee schedule which will be effective for Medicare claims with a date of service on or after January 1, 2018. The 2018 Medicare fee schedule for orthotic and prosthetic services will be increased by 1.1% over 2017 rates. The 1.1% increase is a net reflection of the 1.6% increase in the Consumer Pricing Index for Urban Areas (CPI-U) from June 2016 through June 2017, combined with the annual Multi-Factor Productivity Adjustment (MFP) of -0.5%.

The 1.1% increase in the O&P Medicare fee schedule for 2018 represents a 0.4% larger amount than the 2017 increase of 0.7%. Unfortunately, the 2% sequestration based reduction to all Medicare payments remains in effect (currently through 2025) meaning that Medicare fee for service payments will continue to be reduced by 2% due to sequestration. While sequestration continues to impact Medicare reimbursement, it is not cumulative. You will still receive 1.1% more for a service you provide in 2018 then you did in 2017 since the 2% sequestration reduction would be applied to both claims.

The complete 2018 Medicare DMEPOS fee schedule may be downloaded from the CMS website at by <u>clicking here</u>. As always, AOPA maintains the most current Medicare fee schedule information and will be happy to provide it to AOPA members.

Questions regarding the 2018 Medicare fee schedule may be directed to Joe McTernan at <u>jmcternan@A0PAnet.org</u> or Devon Bernard at <u>dbernard@A0PAnet.org</u>.

Key Facts about the New Tax Bill

The "Tax Cuts and Jobs Act" bill that was just passed in the House and Senate and is expected to go into effect on January 1, 2018. AOPA's counsel, Alston & Bird, has prepared a summary of select provisions. <u>Read the summary</u>.

Probably the most widespread advice about tax planning relates to the \$10,000 cap on allowable state and local (employment, real estate and sales taxes). If you have estimated taxes, want to increase your final state withholding, have any real estate taxes you can pay, or are contemplating a major purchase that will trigger sales tax, you should consider (with your tax adviser) making those payments before the end of 2017, as the new cap will kick in as of 1/1/18.

Conversely, there is a bit of incentive to delay purchase of new business related capital items until after January 1, 2018, as there is a prospect to expense some capital purchases fully, as opposed to multi-year depreciation write-offs applicable on purchases before 1/1/18.

Here is a quick summary from Bloomberg Financial on how the tax cut will affect a few taxpayer thresholds:

The bill slashes the corporate tax rate to 21 percent from 35 percent, enhancing the U.S. position against other industrialized economies, which have an average corporate rate of 22.5 percent. Most middle-class workers will also get short-term relief, but independent analyses show the amounts aren't large.

The average tax cut for the bottom 80 percent of earners would be about \$675 in 2018, according to an analysis by the Urban Brookings Tax Policy Center. The top 1 percent of earners would get an average cut of about \$50,000 that year, and the top 0.1 percent would get an average of \$190,000, according to the group's analysis.

CNN has listed out 34 key things to know about the tax reform. Read those here.

AOPA Submits Comments on Proposed Rule That Would Limit a Veteran's Rights to Choose Their Orthotic and Prosthetic Provider

The October 16, 2017 *Federal Register* included a proposed rule published by the Department of Veterans Affairs (VA) that intends to "reorganize and update the current regulations related to prosthetic and rehabilitative items, primarily to clarify eligibility for prosthetic and other rehabilitative items and services, and to define the types of items and services available to eligible veterans."

There is a provision in the proposed rule that significantly threatens longstanding VA policy that allows the veteran to decide whether they receive O&P services directly from the VA or from a VA contracted provider. The proposed language states the following:

"VA will determine whether VA or a VA-authorized vendor will furnish authorized items and services under § 17.3230 to eligible veterans. When VA has the capacity or inventory, VA directly provides items and services to veterans. However, VA also may use, on a case-by case basis, VA authorized vendors to provide greater access, lower cost, and/or a wider range of items and services. We would clarify in regulation that this administrative business decision is made solely by VA to eliminate any possible confusion as to whether a veteran has a right to request items or services generally, or to request specific items or services from a provider other than VA, and to clarify for the benefit of VA-authorized vendors that VA retains this discretion as part of our duty to administer this program in a legally sufficient, fiscally responsible manner."

This language, if finalized, is in direct conflict with the current VA policy as well as the Veteran's Access, Choice, and Accountability Act of 2014 and will significantly restrict the ability of a veteran to see the VA contracted provider of their choice for prosthetic and orthotic care.

AOPA submitted comments on the proposed rule which were due on December 15, 2017. <u>AOPA's</u> <u>comments may be viewed by clicking **here**</u>.

Questions regarding this issue may be directed to Joe McTernan at <u>imcternan@AOPAnet.org</u> or Devon Bernard at <u>dbernard@AOPAnet.org</u>.

AOPA Submits Comments on CMS Proposed Change to the DMEPOS Quality Standards

On December 11, 2017, AOPA submitted formal comments on CMS' proposed change to the DMEPOS Quality Standards that would expand the definition of the term "molded to patient model" to include custom fabricated diabetic inserts that are fabricated using a virtual or digital model of the patient's foot and a direct milling process. Earlier this year, the DME MACs published a correct coding bulletin that indicated that because direct milled inserts were not molded over a

positive model of the patient's foot, they could not be billed using HCPCS code A5513 and would have to be billed using A9270 which is a statutorily non-covered service.

The proposed change to the DMEPOS Quality Standards creates a pathway for Medicare coverage for direct milled inserts but a subsequent frequently asked questions (FAQ) document published by CMS indicates that direct milled inserts cannot be billed using A5513 and that reimbursement for inserts fabricated this way will be reduced by approximately 14%.

AOPA's comments generally supported the proposed change to the DMEPOS Quality Standards but challenged the CMS proposal to arbitrarily reduce the reimbursement rate for direct milled inserts. AOPA believes that the manner of fabrication is irrelevant and that the proposed change to the DMEPOS Quality Standards should allow direct milled inserts to be properly billed using A5513.

AOPA's comments may be accessed by clicking here.

AOPA Submits Comments on the CMS Proposed Rule That Would Provide States with Additional Flexibility in Defining Essential Health Benefits

On November 2, 2017, the Centers for Medicare and Medicaid Services (CMS) published a proposed rule in the *Federal Register* entitled "Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2019." Among the provisions in the proposed rule is a section that would provide individual states with increased flexibility in defining essential health benefits (EHB) for purposes of establishing benchmark plans required by the Affordable Care Act.

AOPA submitted official comments on the proposed rule on November 27, 2017. Our comments reflected AOPA's consistent position that orthoses and prostheses must remain essential health benefits and any action by CMS that restricts or reduces access to O&P services is not in the best interest of quality patient care.

AOPA's comments may be accessed by <u>clicking here.</u>

The First AOPA Coding & Billing Seminar of 2018 is in Atlanta, GA

When: February 26-27, 2018 Location: Doubletree by Hilton Atlanta Airport 3400 Norman Berry Dr. Atlanta, GA, 30344

AOPA experts provide the most up-to-date information to help O&P Practitioners and office billing staff learn how to code complex devices, including repairs and adjustments, through interactive discussions with AOPA experts, your colleagues, and much more. Meant for both practitioners and office staff, this advanced two-day event will feature breakout sessions for these two groups, to ensure concentration on material appropriate to each group.

At this seminar you will:

- Receive up-to-date information on Prior Authorization and other Hot Topics
- Ensure your Proof of Delivery meets Medicare Requirements
- Learn how to assess risk areas in your practice
- Learn successful appeal strategies and hints to avoid claim denials
- Practice coding complex devices, including repairs and adjustment
- Attend break-out sessions for practitioners and office staff
- Earn 14 CEs



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Questions regarding the seminar may be directed to Joe McTernan at (571) 431-0811 or Devon Bernard at (571) 431-0854.

Attend the 2018 AOPA National Assembly in Vancouver, Canada

2018 AOPA National Assembly ~ Sept 26-29 Vancouver, BC, Canada

Gain International Recognition * Advance Your Career * Improve Patient Care

AOPA is seeking high-quality educational and research content for the 2018 AOPA National Assembly, September 26-29 in Vancouver, BC, Canada. **All submissions are due March 1, 2018**.

Your submissions will set the stage for a broad curriculum of high-value clinical and scientific offerings at the National Assembly. All free paper abstracts must be submitted electronically. Abstracts submitted by e-mail or fax will not be considered. All abstracts will be considered for both podium and poster presentations. The review committee will grade each submission via a blind review process, based on the criteria below and reach a decision regarding acceptance of abstracts.

- Relevance, level of interest in topic
- Quality of Scientific Content
- Quality of Clinical Content

<u>**Clinical Free Papers</u>** - Present an Orthotic, Prosthetic or Pedorthic Free Paper. The top scoring papers will compete for the prestigious Thranhardt Award.</u>

Technician Program - Submit your Technical education paper for submission the Technical Track.

<u>Symposia</u> - If you are interested in organizing a Symposium.

Business Education Program - The top papers will be considered for the prestigious Sam E. Hamontree, CP (E) Business Education Award.

<u>Pedorthic Program</u> - Healthcare professionals with an interest in Pedorthics should use this form.



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2018 AOPA Webinars Announced

AOPA is pleased to announce the topics for its 2018 Webinars, which take place on the second Wednesday of each month at 1:00 P.M. Eastern Time. <u>Register here.</u>

January 10- Lower Limb Prostheses Policy: A Comprehensive Review February 14-Inpatient Billing March 14 - Medicare Coding Guidelines: MUEs, PTPs, PDAC, etc. April 11-Enhancing Cash Flow & Increasing Your Accounts Receivable May 9 - Coding: Understanding the Basics June 13- Audits: Know the Types, Know the Players, and Know the Rules July 11-Administrative Documentation August 8 --Outcomes & Patient Satisfaction Surveys September 12-Medicare as Secondary Payer: Knowing the Rules October 10– Year End Review: How to Wrap-Up & Get Ready for the New Year November 14: Evaluating Your Compliance Plan & Procedures: How to Audit Your Practice December 12: New Codes, Medicare Changes & Updates

During these one-hour sessions, AOPA experts provide the most up-to-date information on a specific topic. Perfect for the entire staff-- a great team-building, money-saving, educational experience! Sign up for the entire series and get two conferences FREE. Entire Series (\$990 Members/\$1,990 Non-Members). <u>Register here.</u>

HCPCS Code Changes for 2018

The Centers for Medicare and Medicaid Services (CMS) has released the new HCPCS codes for 2018, and there were only a few minor changes. Below is a complete breakdown of the code changes which will be effective for claims with a date of service on or after January 1, 2018.

New Codes		
Code	Descriptor	
L3761	Elbow orthosis with adjustable position locking joint(s), prefabricated, off-the-shelf	
L7700	Gasket or seal, for use with prosthetic socket insert, any type, each	

Changes in Code Descriptors

Changes in Code Descriptors			
Code	New Descriptor	Old Descriptor	
L3760	Elbow orthosis, with adjustable position locking joint(s), prefabricated, item that has been trimmed, bent, molded, assembled, or otherwise customized to fit a specific patient by an individual with expertise	Elbow orthosis, with adjustable position locking joint(s), prefabricated, includes fitting and adjustments, any type	

AOPA's Coding and Reimbursement Committee will review the list of changes and provide appropriate comments to CMS.

Upcoming AOPA Events

January 5-7, 2018	AOPA Leadership Conference (Invitation Only) Palm Beach, FL
January 10, 2018	<i>Lower Limb Prostheses Policy: A Comprehensive Review</i> AOPA Webinar <u>Learn more and register here</u>
February 26-27, 2018	Coding & Billing Seminar Atlanta, Georgia <u>Learn more and register here</u>