CALIFORNIA HOSPITAL ASSOCIATION

Federal Regulatory Summary

from the California Hospital Association

CHA EXECUTIVE SUMMARY – OCTOBER 2020

Radiation Oncology Model

Overview

On September 29, the Centers for Medicare & Medicaid Services (CMS) issued a final rule implementing two CMS Innovation Center models, including the radiation oncology (RO) model. The RO model is an alternative payment model (APM) that provides a site-neutral, prospective, bundled-episode payment for clinician and facility services furnished during a course of radiation therapy (RT) delivered to treat certain cancer types for Medicare fee-for-service beneficiaries. The model is mandatory for participants that provide RT services in certain randomly selected census-based statistical areas (CBSAs), intended to represent 30% of all eligible RO episodes. The model will run for five years, from January 1, 2021, to December 31, 2025.

The following document provides a high-level overview of key provisions of the RO model. A more detailed summary of the final rule — including details of the additional APM finalized, the end-stage renal disease treatment choices (ETC) model — is available for CHA members.

Model Participants

CMS identifies three different types of participants for this model: physician delivering the professional component of an RT service in a hospital outpatient department (HOPD) or freestanding center, HOPD or freestanding center that delivers the technical component, and freestanding center that delivers both the professional and technical components of the service. **The model is mandatory for participants who furnish RT services within randomly selected CBSAs, as identified by a CMS list of participating ZIP codes. CHA has prepared a spreadsheet that crosswalks CMS' selected ZIP codes with cities in California.**

The model will not apply to prospective payment system-exempt cancer hospitals, critical access hospitals or ambulatory surgical centers. In addition, CMS finalized a low-volume opt-out option that will allow a physician group practice, freestanding radiation center, or HOPD that would otherwise be required to participate in the RO model to opt out of the RO model for a given performance year if it has fewer than 20 episodes of RT services across all CBSAs selected for participation in the most recent year with claims data available prior to the applicable performance year. CMS will notify participants eligible to opt out at least 30 days prior to the beginning of each performance year. The participant must attest to its intention of opting out of the RO model.

RO Model Episode of Care

Under the RO model, CMS will provide prospective payments for certain RT services furnished during a 90-day episode of care for 16 cancer types. The payment will cover select RT services — including

treatment planning, technical preparation, special services, treatment delivery, and treatment management — furnished during an episode. However, the RO model is not a total cost-of-care model. Consultation services, such as evaluation and management services, will continue to be reimbursed separately. In addition, CMS excludes low-volume RT services, including certain brachytherapy surgical procedures, neutron therapy, hyperthermia treatment, and radiopharmaceuticals. The episode payments will be split into two components the professional component (e.g., physician payment) and the technical component (e.g., HOPD or freestanding radiation center payment).

An episode is triggered only if both of the following conditions are met: (1) there is an initial treatment planning service (submission of Healthcare Common Procedure Coding System codes 77261-77263) furnished by a professional participant or a dual participant; and (2) at least one RT delivery service is furnished by a technical participant or a dual participant within the following 28 days. The first day of the episode is the day that treatment planning services are rendered, and the episode continues for an additional 89 days. If no radiation therapy treatment is received within 28 days of initial treatment planning, it is not considered an RO episode, and the episode incomplete policy would take effect. If an episode runs longer than 90 days, the RO participant can bill the end-of-episode modifier, and additional RT services would be paid on a fee-for-service basis.

Payment Methodology

Under the RO model's "site-neutral" methodology, payment rates for an episode of care are the same regardless of whether the services are rendered in an HOPD or freestanding radiation center. The payment rates vary based on the type of cancer and professional/technical component. RO participant-specific payment amounts are determined based on national base rates, trend factors, and adjustments for each participant's case-mix, historical experience, and geographic location. The national base rates are calculated using data from calendar years 2016–2018. Base rates are calculated based only on HOPD claims data; freestanding center claims are excluded.

CMS further adjusts payment amounts by applying a discount factor. The discount factor, or the set percentage by which CMS reduces an episode payment amount, reserves savings for Medicare and reduces beneficiary cost-sharing. The discount factor for the professional component is 3.75%, and the discount factor for the technical component is 4.75%. The payment amount is also adjusted for withholds for incorrect payments (1%), quality (2% for professional component), and patient experience (1% for technical component starting in 2023). RO participants can earn back all or some of the incorrect withhold based on the amount of incorrect payments during the previous performance year. RO participants have an opportunity to earn back a portion of the quality and patient experience withholds based on clinical data reporting, quality measure reporting and performance, and the beneficiary-reported Consumer Assessment of Healthcare Providers and Systems (CAHPS) Cancer Care Radiation Therapy Survey. The standard beneficiary coinsurance and sequestration policies remain in effect.

Quality Measures and Clinical Data

The RO model includes four quality measures, starting in performance year one. The four quality measures are: Oncology: Medical and Radiation – Plan of Care for Pain (NQF #0383); Treatment Summary Communication – Radiation Oncology; Preventive Care and Screening: Screening for Depression and Follow-Up Plan (NQF #0418); and Advance Care Plan (NQF #0326). These measures will be reported in aggregate (not at the beneficiary level), and will be reported for all patients, not only patients in the RO model.

Beginning in performance year three, CMS will require technical participants to complete the CAHPS Cancer Care Radiation Therapy Survey. The applicable questions and measures from the survey will be discussed in future rulemaking.

In addition to these quality measures and surveys, CMS will require participants to submit clinical data not available through claims data or quality measures. The clinical data will be for patients with prostate cancer, breast cancer, lung cancer, bone metastases, or brain metastases. Clinical data will be submitted through the RO model portal at a time and in a manner specified by CMS. Specific elements to be submitted to CMS will be defined prior to performance year one of the RO model and will be communicated on the RO model website.

Radiation Oncology Administrative Portal

Mandatory RO model participants should register as soon as possible with the Radiation Oncology Administrative Portal (ROAP). The ROAP is an online platform that is used by CMS to track RO participant information through the participant profile page and to allow users to access and review organizational data and update participant information and contacts. It is also used to download and submit data request and attestation forms, access participant specific data — including historical experience and case- mix adjustments and performance reports — and attest to additional requirements. The ROAP can also be used to indicate that a participant will choose the low-volume, opt-out option, if eligible. To register for ROAP, participants will need a Model ID, taxpayer identification number or CMS certification number, first name, last name, and email address of the designated primary contact in the appropriate fields. Hospitals can receive a Model ID by calling the Helpdesk at (844) 711-2664 and selecting option 5. For more information, please visit the ROAP User Manual.

RO Model Secure Data Portal and RO Connect

CMS will soon make additional information available regarding the RO Model Secure Data Portal, which will allow RO participants to request different types of files — such as beneficiary line-level claims data, episode-level data, and participant-level data — from CMS. Participants will also submit quality measure and clinical data to this portal. In addition, CMS will develop a collaborative resource site, RO Connect, which will allow participants and the RO model team to share documents, participate in online discussions, and receive updates about RO model activities. RO Connect will also include a library of technical and operational resource documents important for program implementation, as well as audio-visual recordings and transcripts of RO model learning events. Additional information will be forthcoming on the RO Model website. Questions can be directed to CMS at RadiationTherapy@cms.hhs.gov.

Contact

CHA members with questions or concerns should contact Megan Howard, vice president, federal policy, at (202) 488-3742 or mhoward@calhospital.org.