

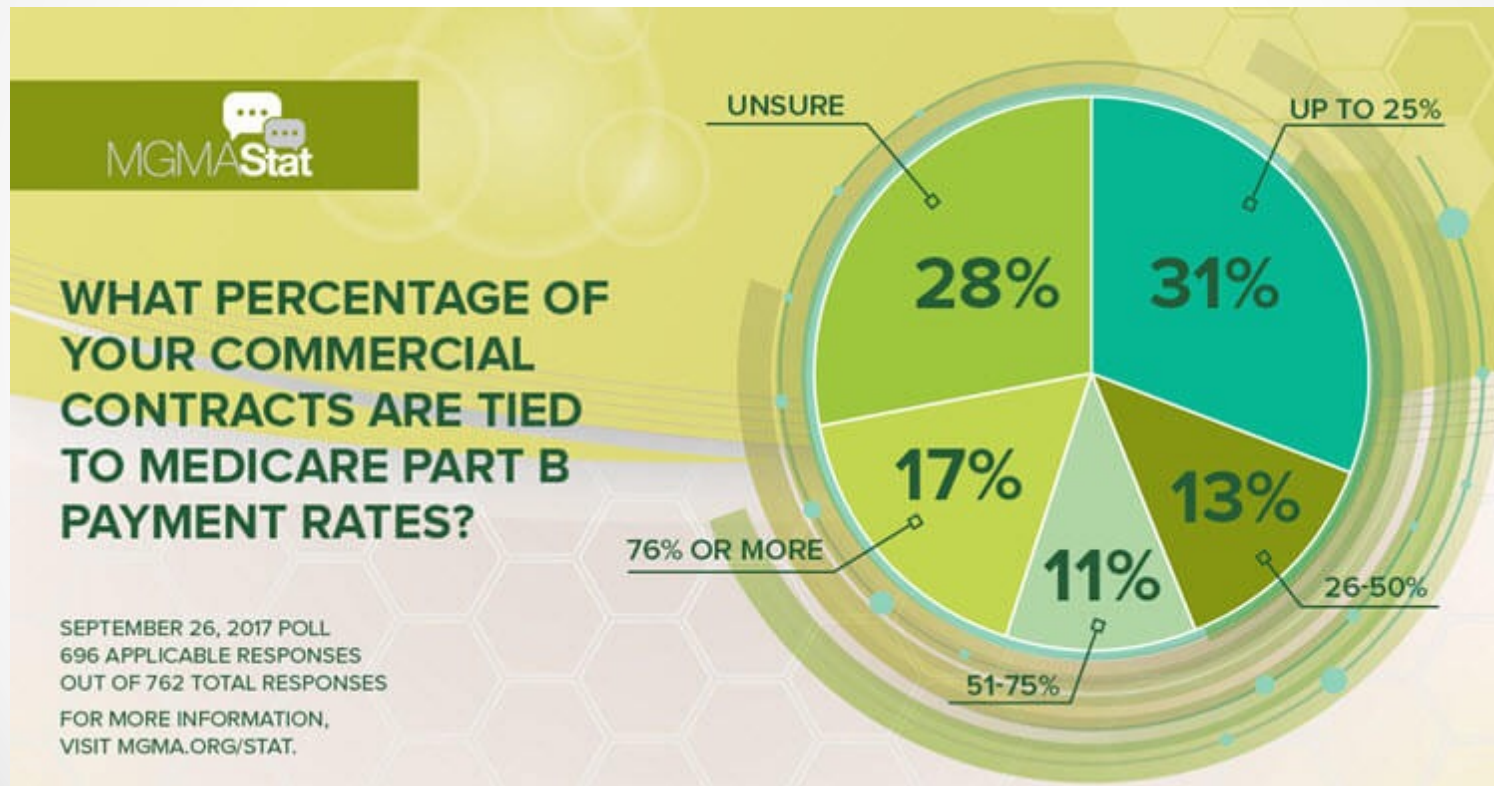
Medicare Payment: Raising the Benchmark on Rates

Jeremy Ponds, MS, RDN, LD, IFNCP
Nutrition Services Payment Specialist
SC Academy of Nutrition & Dietetics

Ways Insurers Calculate Rates

- Payer market fee schedule (Cigna)
- Payer resource-based relative value scale (RBRVS) (Aetna)
- Percent current-year **Medicare** physician fee schedule (MPFS)
- Fixed-year (i.e., 2012) **Medicare** Part B fee schedule (BCBS)
- Fixed-year RBRVS from the **Centers for Medicare & Medicaid (CMS)**, varying by category (i.e., E&M CPT codes are at 115% while labs are at 50%) (Medicaid)
- Service category with a hierarchy of methodologies for rates (i.e., 100% of **Medicare** or 100% for Ingenix/Optum or 105% of invoice cost)
- Usual and customary rates (UCR) (RARE for nutrition)
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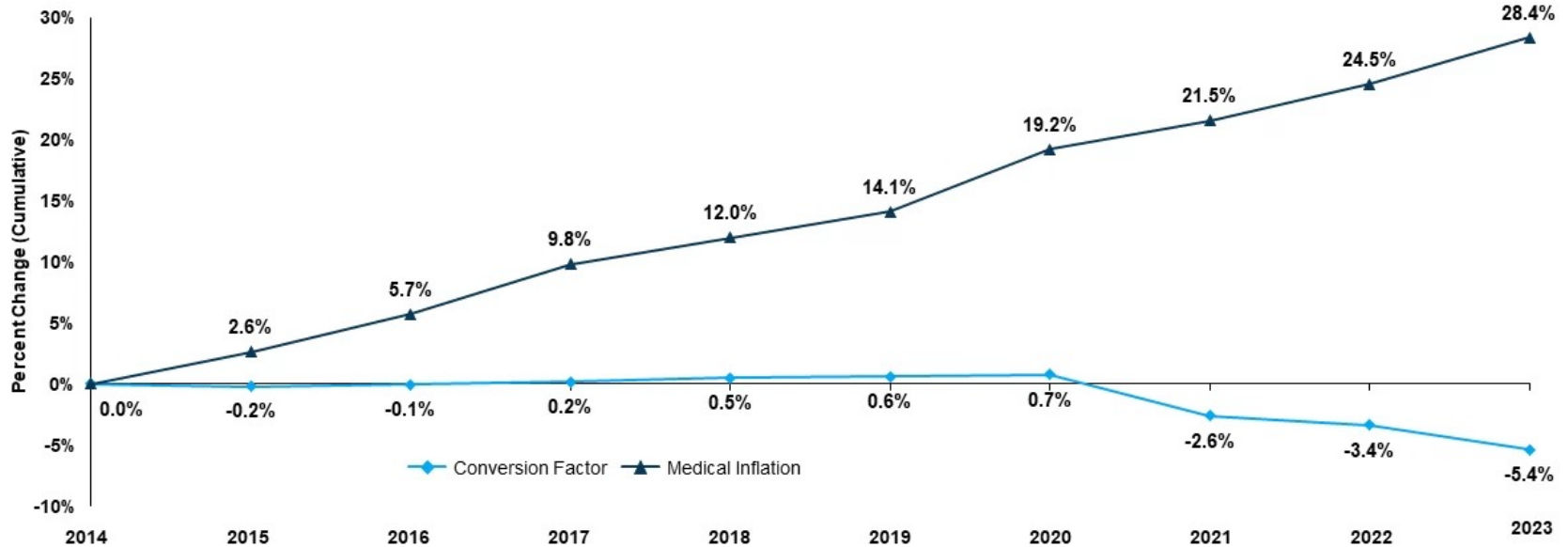
CMS = Insurer Benchmark



The Problem with CMS Rates

Year	Original Conversion Factor	% Change	Legislative Fix	Adjusted Conversion Factor	% Change	Anesthesia Conversion Factor	% Change
2019	\$ 36.0391			\$ 36.0391		\$ 22.2730	
2020	\$ 36.0896	0.1%		\$ 36.0896	0.1%	\$ 22.2016	(0.3%)
2021	\$ 33.6319	(6.8%)	3.75%	\$ 34.8931	(3.3%)	\$ 21.5600	(2.9%)
2022	\$ 33.5983	(0.1%)	3.00%	\$ 34.6062	(0.8%)	\$ 21.5623	0.0%
2023	\$ 33.0607	(1.6%)	2.50%	\$ 33.8872	(2.1%)	\$ 21.1249	(2.0%)
2024	\$ 32.3334	(2.2%)	1.25%	\$ 32.7375	(3.4%)	\$ 20.4349	(3.3%)
Cumulative Change: 2019 - 2024	\$ (3.71)	(10.3%)		\$ (3.30)	(9.2%)	\$ (1.84)	(8.3%)

CMS compared to inflation



Impact on Nutrition Payments

- Official numbers are UNDER reporting inflation – cost of doing business is up 20% for most businesses just from 2021-2024 (<https://smith.ai/blog/how-has-u-s-inflation-affected-small-businesses-from-2021-to-2024>)
- **9% drop in pricing + 20% rise in costs = 30% less margin!**
- **COMMERCIAL rates are falling WITH Medicare because most are tied to Medicare rates**
- Other insurers (e.g. Aetna) are arbitrarily cutting “mid-level providers” like us by 10-25%

What do we do?

- PUSH for INCREASED MEDICARE RATES for dietitians
 - Support the Academy efforts to lobby Congress to increase the Physician Fee Schedule (Medicare Payment Rate Advocacy efforts)
 - Support efforts to pass laws like the MNT Act that a) reinforces our value as a profession, b) increases covered diagnoses
 - Talk to your Federal legislator about supporting these changes
- Use CMS rates as starting point for a new contract
 - CMS guidelines still provide the best benchmark of evidence and leverage!
- Renegotiate contract terms with private insurers
 - Highlight inflation and increased cost of doing business
 - Argue value and the need to increase the rate we are paid. Period!

Questions

