



American Academy of Sleep Medicine

AASM Summary: 2014 Medicare Physician Fee Schedule Final Rule

On November 25, 2013 the Centers for Medicare & Medicaid Services (CMS) published the display copy of the 2014 Medicare Physician Fee Schedule (MPFS) final rule. The rule describes finalized payment policy and rates effective January 1, 2014. Below is a summary of the key changes impacting sleep medicine.

Pediatric Polysomnography – Time and Equipment Added to Practice Expense

The MPFS final rule finalizes the addition of five minutes of staff time for the tasks of applying electrodes and applying recording equipment. We are pleased that CMS has acknowledged these difficulties in the valuation of these services. CMS has also agreed to include a crib as a component of the practice expense for pediatric sleep medicine. The AASM provided CMS with receipt documentation of the high cost of cribs and this equipment will now be included in the valuation of the pediatric polysomnography codes.

Physician Quality Reporting System – Program Expansion Averted

Currently, CMS includes a sleep apnea measures group in its Physician Quality Reporting System (PQRS) incentive program. The measures group includes the four sleep apnea measures that were developed by the AASM in conjunction with the AMA PCPI and other specialty societies. In the 2014 MPFS proposed rule, CMS recommended changing the minimum required number of measures in each measures group from four to six. To accommodate this change, CMS recommended adding three new measures to the existing sleep apnea measures group.

CMS did not finalize this recommendation. The sleep apnea measures group will remain unchanged for the 2014 PQRS reporting year. 2014 is also the last year participating providers can earn a 0.5% incentive for participating in PQRS. In 2015, eligible providers who did not participate in the program in 2013 will begin earning a -1.5% penalty on all Medicare charges.

2014 Payment for Sleep Services

Members can download a [Sleep Services Payment and RVU Comparison](#) detailing 2014 RVUs and national payment for sleep services. Payment described in this document reflects a CMS proposed conversion factor of \$35.6446, which is projected to be in place if the SGR cut is averted again this year. If the cut is not averted, a 20.1% cut to the conversion factor is estimated, which would result in a conversion factor of \$27.2006. This would result in substantially lower payment for sleep services.