



Frequently Asked Questions on Medicare Fee Schedule 2021 for SNF Practices

1 What are the most important changes in the Medicare Physician Fee Schedule 2021 for SNF practices?

- The Medicare Physician Fee Schedule (MPFS) 2021 reveals significant pay cuts across many specialties. The 10.2% cut in payments for evaluation and management (E&M) services performed in skilled nursing, long term care and assisted living facilities means SNF providers and practices will see a reduction in reimbursements this year. The recent omnibus relief package from Congress provided a small increase (3.75%) in conversion rates, resulting in an effective decrease of 3.6% compared to 2020.
- The MPFS 2021 also changes the frequency of telehealth visits from once every 30 days to once every 14 days. This provision does not apply during the public health agency.
- Additionally, CMS created a new code for audio-only telephone services based on support from industry stakeholders who have leveraged telephonic care during the pandemic. The new code G2252 can be used for the duration of 2021 to bill 11-20 minutes of extended medical discussion.
- Telehealth continues to enjoy relaxed regulations, which will only last for duration of the declared public health emergency.
- Read more for [detailed analysis](#) of the most significant changes in the MPFS 2021.

2 What are the most common SNF and ALF codes impacted by these changes?

- The SNF evaluation and management codes (CPT 99304-99310) and the ALF codes which fall under the domiciliary codes (CPT 99324-99327) are the primary codes used by providers in the space that are impacted. There are other codes, however, that are also impacted by the MPFS 2021.

3 How will the new MPFS 2021 impact my practice?

- Practices can expect a reduction in payment for services provided to Medicare patients in SNFs and ALF. The 3.75% improvement included in the recent COVID relief bill helps reduce the impact, but providers will still see their payment reduced by 3-4% for 2021. This change in revenue means practices need to monitor their expenses more carefully this year and optimize their infrastructure for maximum productivity.

4 How did the COVID-19 relief package impact payment for SNF practices and how will the benefits be distributed?

- CMS has updated the conversion factor that's used in the fee schedule calculation, so all codes in the fee schedule will benefit from the relief/stimulus.
- The new conversion rate is \$34.89, a 3.6% cut compared to 2020.

5 Are there any expected further changes to the fee schedule?

- Currently, there is no expected change to the 2021 fee schedule, but the incoming administration and congress does have the opportunity to use legislative and other measures to modify the fee schedule post-inauguration in response to the ongoing COVID-19 pandemic.
- We will continue to monitor regulatory changes to the SNF industry, the implementation of the 2021 MPFS and other trends and changes during the year and will continue to share with you the latest updates [here](#).

6 How do I prepare for impacts of the Physician Fee Schedule?

- Evaluate existing workflows and look for room for efficiency improvement. Optimize patient schedule, implement an integrated patient registration and documentation through an EHR built for the industry, and implement reporting to identify opportunities to provide better care and avoid incomplete or delayed notes and charges that impact cashflow. Finally, monitor provider productivity closely.
- Evaluate existing clinical services and consider implementing new service opportunities to diversify and strengthen your offering.
- Other key areas to evaluate include reviewing productivity expectations, and build the infrastructure to identify and schedule those additional services.
- Consider how the fee schedule changes may impact your compensation model. In doing so, evaluate and redesign your compensation and incentive structures if necessary.
- Finally, re-evaluate your overhead expenses. It is vital for practice owners and executives to determine that every role in an organization is necessary and every person in that role is high-functioning.

7 Can you help me come up with strategies to mitigate any negative impact?

- Yes. Our SNFist™ Suite with built-in communication tools, electronic health records (EHR) and reporting, and back-office management systems will help streamline and optimize your operational processes.
- Our revenue cycle management (RCM) services can help an organization improve reimbursement and cash flow while reducing internal expenses relevant to staffing a department.
- If you're wondering where to start, our specialists can help you develop a tailored strategy to mitigate any negative impact from the MPFS 2021.

8 Where can I find more information regarding the latest updates to the MPFS 2021?

- CMS website will have the latest updates to the MPFS 2021. However, if you're looking for detailed analysis of how these changes will impact your practice and strategies to respond, follow our blog [here](#).