



## 2023 Medicare Physician Fee Schedule Proposed Rule: Initial IDSA Response

July 2022

On July 7, the Centers for Medicare and Medicaid Services (CMS) released its calendar year (CY) 2023 Medicare Physician Fee Schedule (MPFS) [proposed rule](#). Key elements of the proposed rule are summarized below. ID physicians are expected to receive 5% overall increase in payments under the proposal, while most other specialties are facing cuts. IDSA is advocating for a stronger approach to updating inpatient E/M services that should result in a larger increase for ID physicians. IDSA will continue to share additional information about the proposed rule and will call on all of you to help us advocate to CMS and Congress. Please let us know how the proposed changes may impact you and your ability to recruit and retain ID physicians. Your voices help inform and strengthen our advocacy.

- Conversion Factor and ID Impact.** For CY 2023, CMS proposes an MPFS conversion factor of **\$33.0775**. That represents a 4.42% reduction from the CY 2022 MPFS conversion factor due to the expiring 3% boost to the conversion factor provided by Congress for CY 2022 as well as an additional budget neutrality adjustment generated by the CY 2023 proposed policies. CMS estimates an **overall increase in payments to ID physicians of 5%, which adjusts to a 6% increase and 2% reduction based on practice setting (facility or non-facility, respectively)**. These impacts do factor in changes to inpatient and observation E/M code (described below) but do not factor in the expiring CY 2022 congressionally-mandated 3% boost to the conversion factor.
- Inpatient and Observation E/M Coding, Documentation and Values.** The proposed rule includes changes in coding and documentation, as well as revisions to relative values, for inpatient, hospital observation, and other types of E/M visits, effective January 1, 2023. These proposals stem from recommendations by the AMA CPT Editorial Panel and AMA/Specialty Society RVS Update Committee (RUC). The AMA has posted a [summary of code descriptor and guideline revisions](#) for these E/M services on its website. IDSA has been advocating for a better approach to updating coding for E/M services, which would maintain relativity across the E/M codes sets. The loss of this relativity would arbitrarily and inappropriately reduce the potential positive impact of these updates. IDSA is working with policymakers in Congress and the Administration to correct this imbalance.

CY 2023 Proposed Inpatient & Observation Work RVUs		
CPT Code	2023 wRVU	Change from 2022
<i>Initial Visits</i>		
CPT 99221	1.63	-15.1% (1.92)
CPT 99222	2.60	0% (2.61)
CPT 99223	3.50	-9.3% (3.86)
<i>Subsequent Visits</i>		
CPT 99231	1.00	+31.6% (0.76)
CPT 99232	1.59	+14.4% (1.39)
CPT 99233	2.40	+20.0% (2.00)
<i>Same Day Discharge</i>		
CPT 99234	2.00	-21.9% (2.56)
CPT 99235	3.24	0% (3.24)
CPT 99236	4.30	+2.4% (4.20)



- **Split (or Shared) E/M Services.** Previous to the release of this rule, CMS finalized a policy for January 1, 2023 regarding split (or shared) E/M services. This is the Medicare policy for determining which practitioner should be deemed the “billing practitioner” when an E/M service is delivered by both a physician and an APP. The January 1, 2023 policy was set to make this determination solely based on which practitioner spent the most time on the service - without regard to who was performing the medical decision making or other key elements of the service. IDSA opposed this policy. In response to our request and the requests of other stakeholders, CMS is proposing to delay implementation of the policy until at least January 1, 2024 while it collects additional stakeholder input.
- **Telehealth.** CMS proposes changes to maintain certain elements of the various telehealth flexibilities authorized during the COVID-19 public health emergency (PHE) for 151 days following its conclusion. Once the 151-day period ends, CMS proposes the removal of several temporarily allowed services, including “audio-only” services. IDSA will continue urging CMS to maintain beneficiary access to audio-only services to improve access to ID care.

Additional resources:

- [CMS general fact sheet](#) on the rule,
- [CMS fact sheet: Medicare Shared Savings Program \(MSSP\) and Accountable Care Organizations](#)
- [CMS Fact Sheet: Quality Payment Program \(QPP\)](#)