

2023 Medicare Physician Payment Policies Finalized

November 08, 2022

The 2023 Medicare Physician Fee Schedule (MPFS) and Quality Payment Program final rule was released Nov. 1. But while the Centers for Medicare & Medicaid Services (CMS) continues its focus on promoting **population health**, Part B payment for participating physicians and other qualified healthcare practitioners (QHPs) continues to decline, making the payoff for joining an accountable care organization (ACO) more attractive than ever.

Evaluation and Management Services

The CPT E/M section underwent significant changes to the office/outpatient codes in 2021. Earlier in the year, the CPT Editorial Panel further revised coding and guidelines for other E/M visits, effective Jan. 1, 2023. As with the changes to E/M coding in 2021, CMS has finalized “most” of the CPT 2023 changes made throughout the E/M section. Where the difference occurs is mainly in coding for prolonged services. For Medicare, you will use three HCPCS Level G codes. The physician payment changes planned for split/shared billing, however, continue to be on hold until 2024.

Telehealth Services

CMS is making certain services currently listed under the temporary column in the **Telehealth Code List** available at least through 2023. Temporary codes will be covered for at least 151 days following the end of PHE for COVID-19, which was **renewed** for another 90 days on Oct. 13.

Physicians and QHPs will continue to bill with the place of service indicator that would have been reported had the service been furnished in person and append modifier 95 to the claim to identify non-telehealth services rendered via telehealth. This applies to the end of 2023 or the end of the year in which the PHE ends.

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Skin Substitutes

CMS is putting its proposal on hold to change the terminology of skin substitutes to “wound care management products” and to treat and pay for these products as incident-to supplies beginning Jan. 1, 2024. CMS says it plans to hold a Town Hall to “strengthen proposed policies for skin substitutes in future rulemaking.”

on claims from the first two quarters of 2023 by Dec. 31, 2023.

Part B Physician Payment Rates

Lastly, the MPFS final rule for CY 2023 sets the conversion factor for calculating physician payments at \$33.06. This is a decrease of \$1.55 from 2022. The Medicare economic index (MEI) update is finalized at 3.8 percent based on the most recent historical data available.

Additional policies were finalized for rural health clinics and federally qualified health centers for chronic pain management and behavioral health services, telehealth services, mental health visits, the RHC payment limit. The final rule also includes some policy changes to the Clinical Laboratory Fee Schedule, ground ambulance services, and the ambulance fee schedule.

For complete details of the 2023 Medicare physician payment policies, please see the [2023 MPFS final rule](#).

References: CMS and HHS websites