

Auto Casualty

2018 Recap and 2019 Predictions: P&C Regulatory and Legislative Changes

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6 MIN READ

The auto casualty and workers' compensation markets saw numerous changes in 2018, from CPT code updates to eBilling adoption to opioid prescribing limits. As the new year approaches, Mitchell takes a look back at 2018's top trends and industry issues and projects what to watch for with 2019 predictions.

Compliance & Regulatory Updates

CPT Code Changes

In 2018, there were a total of 314 CPT code changes, including ones to Surface Neurostimulator CPT code 64550, the new addition for the Proprietary Laboratory Analysis (PLA) codes, and changes to codes related to orthotic and prosthetic management and training. A complete listing of code additions, deletions and revisions is available in the AMA CPT 2018 codebook under Appendix B. The American Medical Association 2019 CPT code set has a total of 335 code changes. The most notable changes are technology-based and reflect the new, modern age of medicine. Significant updates to the code set include new remote physiologic monitoring codes, new extracorporeal shock wave therapy category III codes and the deletion of code 64550. "The 2019 CPT code changes reflect the new, modern age of medicine. Some of the most impactful changes are technology based, including new remote physiologic monitoring codes, new extracorporeal shock wave category codes and more," Mitchell Senior Vice President of Regulatory Compliance Management Michele Hibbert-Iacobacci said. Click to read more about 2019 CPT code changes.

CMS Medicare Payments

In July 2018, CMS proposed changes to the 2019 Medicare Physician Fee Schedule (MPFS) and Quality Payment Program. In 2019, CMS will be making changes to remote patient monitoring and evaluation and management coding and document requirements. The remote patient monitoring updates include unbundled and added codes intended to increase the use of technology to collect real-time data on factors like weight, blood pressure, medication and more. Time will tell if remote monitoring becomes more widely adopted; many providers may be apprehensive about trusting data from remote devices and technologies. On the other hand, providers continue to be in need of more data to better monitor patients with chronic conditions. CMS is also proposing major changes to the Medicare Fee Schedule Evaluation and Management (E/M) reimbursement

model for office and outpatient services. The proposal would create a new, single, blended payment regardless of E/M level performed. Additionally, CMS is relaxing the E/M code documentation requirements. In the Property & Casualty industry, E/M services are some of the most popular procedure codes, so these changes could have a greater impact on casualty providers from a payment perspective. Mitchell anticipates that the new model will be implemented, but with pushback from specialty providers. “The changes for Remote Patient Monitoring will lag in effect for P&C until providers become more educated in the potential use, we do not look for major shifts in the usage of these billable items initially,” Hibbert-Iacobacci said. “CMS understood the difficulty in immediate implementation of the new E&M models for billing and we are encouraged to see a longer timeframe will for implementation. CMS is the benchmark for billing trends and Mitchell will continue to monitor changes and how they could potentially affect the P&C industry.”

IAIABC Release 3.1

Oklahoma became the first state to implement IAIABC Release 3.1, with Kansas following at the end of November. Oklahoma’s adoption of the new standards, which outline updates to workers’ compensation EDI reporting requirements, has been successful. Release 3.1 has already had a very high adoption rate compared to prior IAIABC claims standards release. So far, 21 states have either already implemented, committed to implementing, or shown interest in implementing this most recent update. “In 2019, we anticipate that resources will need to be pulled from throughout the industry to help organizations handle the compliance change—preparing for the increased number of demands will help drive success in 2019,” Hibbert-Iacobacci said.

eBilling

In 2018, New Jersey became the second state in the U.S. after Minnesota to mandate eBilling, with a new law going into effect in 2019 that requires auto casualty payors to accept bills electronically. Payors and providers across the country are already exchanging documents electronically even in jurisdictions without regulations, since eBilling provides many benefits such as improved efficiency, effectiveness and cost containment. “This organic trend combined with the eBilling mandates in New Jersey and Minnesota are strong signals that eBilling is here to stay—and that the industry is pushing toward achieving paperless operations. We anticipate that other states will start implementing similar mandates across both the auto casualty and workers’ compensation markets in the near future,” Hibbert-Iacobacci said.

Pharmacy and Clinical Trends

Opioids

Efforts to stem the opioid crisis increased in 2018, but there still is a long way to go. According to the National Institute on Drug Abuse, the number of drug overdose deaths in the United States increased to 72,000 in 2017. Of those overdoses, nearly 49,000 were associated with opioids. This increasing death number, however, correlates more with an increase in street opioids than with prescription opioids. In fact, opioid prescribing rates have been decreasing somewhat in the past few years, especially in the workers’ compensation industry. This decrease can be contributed to opioid prescribing limits, state-mandated drug formularies and a national focus on the issue. Several states passed opioid prescribing limit laws in 2018 and the federal government approved a bill, HR6, to provide funding for treatment and prevention of opioid abuse. Medical marijuana is also beginning to play a role as a potential opioid-alternative for pain management. Illinois, in particular, passed a law in 2018 to allow patients with an opioid prescription to opt for medical marijuana instead. “Heading into 2019, we expect

that more states will pass opioid prescribing limit laws and drug formularies to fight the opioid crisis," said Mitchell Vice President for Government Affairs Brian Allen. "The federal government's HR6 should also provide some much needed funding for various efforts to reduce opioid abuse and deaths."

Medical Marijuana

Recently, we've seen an increase in state legalization of medical marijuana as well as an increase in clinical trials to identify and qualify medical uses and potential side effects. Medical and recreational marijuana laws were approved in more states during the 2018 midterm elections, bringing the total of states with medical marijuana programs to more than thirty. Click here for an updated state-by-state guide to U.S. marijuana laws. Despite its rise in popularity, there is still a lack of clarification on insurer reimbursement or payment for medical marijuana. Litigation in some states has led to requirements for reimbursement, while other states specifically spell out that employers and insurers do not have to reimburse. The New York and New Jersey legislatures will consider bills in 2019 that would require insurers and employers to reimburse for medical marijuana. New Mexico is the only state thus far that has a fee schedule for medical marijuana. Among all of the state legalization in 2018, the FDA also approved a cannabis-derived drug for the first time. "All of these movements to legalize suggest that 2019 might be the year that the federal government reschedules marijuana," said Allen.

2019 to Bring Change

In 2019, we expect there will be many changes and trends to look out for, from new regulations to emerging technologies. Check back with Mitchell at **mPower.mitchell.com** for updates and insight into new trends throughout the year. © CPT Copyright 2018 American Medical Association. All rights reserved. CPT® is a registered trademark of the American Medical Association.



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