



CY2025 Medicare Physician Fee Schedule Final Rule  
**Montana Primary Care Association**  
**Monthly CFO Peer Group Meeting**

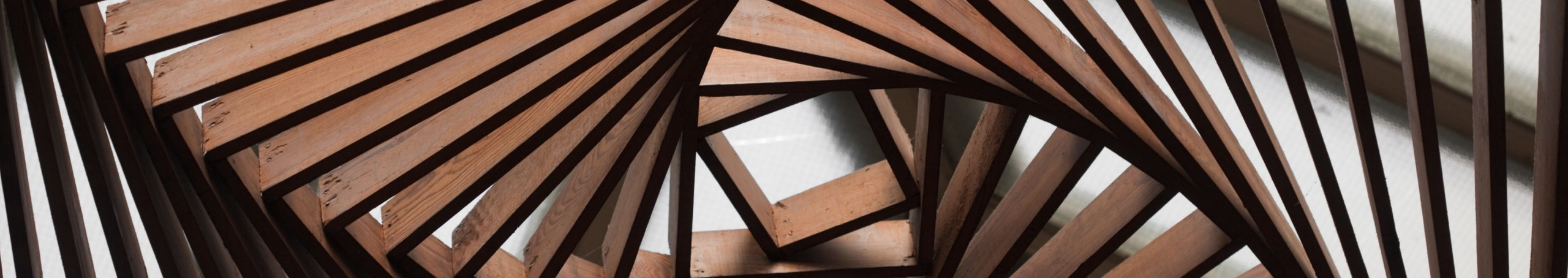
Nicole Moscatelli, CHFP, Senior Manager

# 2025 Medicare Physician Fee Schedule – Final Rule





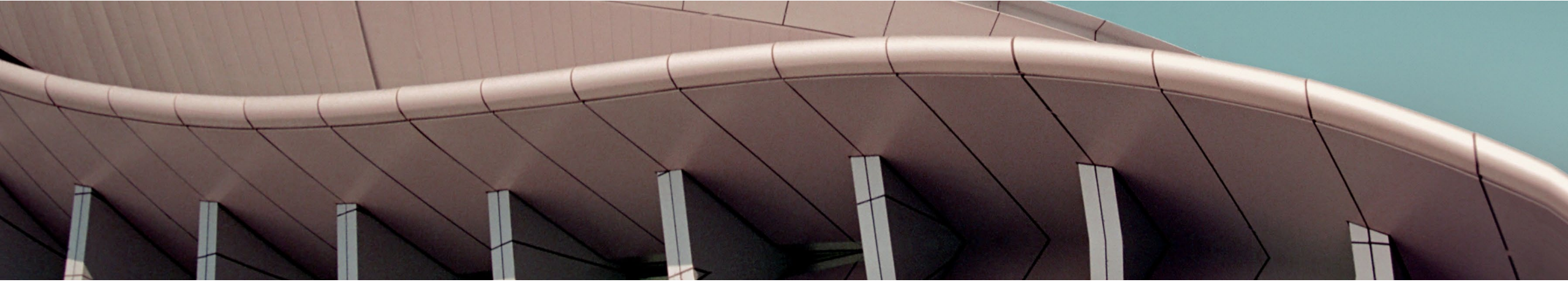
# Medicare Physician Fee Schedule 2025 Final Rule



## Rate Setting & Conversion Factor

- Average payment rates decrease by 2.93%
- \$32.35, decrease of \$0.94 (or 2.83%) from the CY2024 rate of \$33.29

# Medicare Physician Fee Schedule 2025 Final Rule



## Care Coordination Services in RHCs and FQHCs

- Better align payment with other entities
- Report the individual CPT and HCPCS codes that describe care coordination services instead of the single HCPCS code G0511
- Allowing for a transition period of six-months, to at least until July 1, 2025, to enable RHCs/FQHCs to be able to update their billing systems
- Permit billing of the add-on codes associated with these services
- Adopt coding and policies regarding Advanced Primary Care Management services
- Payment to RHCs and FQHCs would be made at the national non-facility PFS amounts when the individual code is on an RHC or FQHC claim, either alone or with other payable services and the payment rates.
- Pay for these services in addition to the RHC AIR or FQHC PPS. Payment rates would be updated annually based on the PFS amounts for these codes
- RHCs and FQHCs, not eligible for MIPS, are not required to report the Value in Primary Care MVP to meet the performance measurement requirement



# Medicare Physician Fee Schedule 2025 Final Rule



## Telecommunication Services in RHCs and FQHCs

- Continue to allow direct supervision via interactive audio and video telecommunications and to extend the definition of “immediate availability” as including real-time audio and visual interactive telecommunications (excluding audio-only) through December 31, 2025.
- Allow payment, on a temporary basis, for non-behavioral health visits furnished via telecommunication technology under the methodology that has been in place for these services during and after the COVID-19 PHE through December 31, 2024.
- Continue to bill for RHC and FQHC services furnished using telecommunication technology services by reporting HCPCS code G2025 on the claim, including services furnished using audio-only communications technology through December 31, 2025.
- For payment for non-behavioral health visits furnished via telecommunication technology in CY 2025, payment will be calculated based on the average amount for all PFS telehealth services on the telehealth list, weighted by volume for those services reported under the PFS.
- Finalizing a continued policy to delay the in-person visit requirement for mental health services furnished via communication technology by RHCs and FQHCs to beneficiaries in their homes until January 1, 2026.

# Medicare Physician Fee Schedule 2025 Final Rule



## Intensive Outpatient Program Services (IOP) in RHCs and FQHCs

- New payment rate when four or more services per day in the RHC and FQHC setting, in addition to the current payment amount based on only three services.
- Aligning the four or more IOP services per day payment rate with the same payment rate for four or more IOP services in hospital outpatient departments, which will be updated annually.



# Medicare Physician Fee Schedule

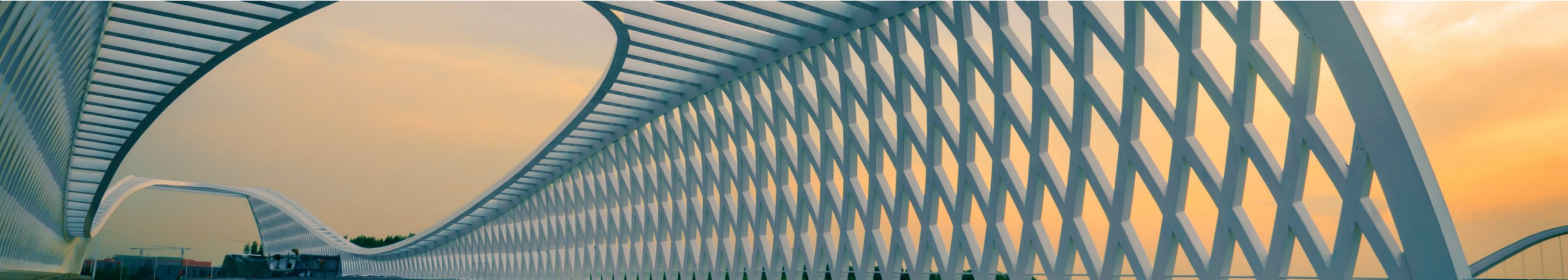
## 2025 Final Rule



### Payment for Preventive Vaccine Costs in RHCs and FQHCs

- Allow RHCs and FQHCs to bill and be paid for Part B preventive vaccines and their administration at the time of service.
- Payments for these claims will be made according to Part B preventive vaccine payment rates in other settings, to be annually reconciled with the facilities' actual vaccine costs on their cost reports.
- Begin billing for preventive vaccines and their administration at the time of service, for dates of service beginning on or after July 1, 2025.
- The intent of this proposal is to improve the timeliness of payment for critical preventive vaccine administration in RHCs and FQHCs.

# Medicare Physician Fee Schedule 2025 Final Rule



## Clarification for Dental Services Furnished in RHCs and FQHCs

- When RHCs and FQHCs furnish dental services inextricably linked to other covered medical services those services would be considered to be RHC and FQHCs services and paid under the RHC AIR methodology and FQHC PPS, respectively.
- Align with any operational requirements, including the submission of the KX modifier.
- Effective July 1, 2025.
- Clarify that a dental service can be billed separately from a medical visit provided on the same day, provided the dental service is inextricably linked to other covered medical services.



# Medicare Physician Fee Schedule 2025 Final Rule



## Proposed Rebasing and Revising of the FQHC Market Basket

- Approximately every four years, CMS routinely rebases and revises the FQHC market basket to reflect more recent data on FQHC cost structures.
- CMS last rebased and revised the FQHC market basket in the FY 2021 PFS rule, where CMS adopted a 2017-based FQHC market basket.
- For CY 2025, rebase and revise to reflect a 2022 base year and include changes to the market basket cost weights and price proxies.
- Continue to apply a productivity adjustment to the proposed 2022-based FQHC market basket percentage increase.
- The final CY 2025 FQHC productivity-adjusted market basket update is 3.5%. This reflects a 4.0% increase in the proposed 2022-based FQHC market basket reduced by a proposed 0.6 percentage point productivity adjustment.



# Medicare Physician Fee Schedule 2025 Proposed Rule



## Rural Health Clinics Conditions for Certification

- Increase flexibility and decrease burden for these providers and improve access to services for patients.
- Explicitly require that RHCs provide primary care services rather than being “primarily engaged” in furnishing these services as indicated in the sub-regulatory guidance. This proposal more closely aligns with the intent of the statute while also preserving access to primary care services in communities served by RHCs.
- Remove hemoglobin and hematocrit (H&H) and “examination of stool specimens for occult blood” from the listed laboratory services that RHCs must perform directly in the regulatory text.
- CMS aims to decrease the burden associated with purchasing and maintaining the laboratory equipment and having qualified staff needed to process these tests. Alleviating these burdens will allow RHCs to focus their resources on the other services they provide, thereby, improving overall efficiency and patient care.
- Updates to the regulations text for laboratory tests in RHCs to reflect modern lab techniques.



# Medicare Physician Fee Schedule 2025 Final Rule



## RHC Productivity Standards

- Remove these standards effective for cost reporting periods beginning on or after January 1, 2025.

# FQHC 2025 PPS Rate

- Base Rate for established patient visits \$202.65
- Base Rate for new and AWW patient visits \$271.87 ( $\$202.65 \times 1.3416$ )
- Geographic Area Factor Updates



# FQHC 2025 PPS

## References

- [Federally Qualified Health Centers \(FQHC\) Center | CMS](#)
- [Calendar Year \(CY\) 2025 Medicare Physician Fee Schedule Final Rule | CMS](#)
- [MM13887 - Medicare Physician Fee Schedule Final Rule Summary: CY 2025](#)
- [Vaccine Pricing | CMS](#)
- [CLFS Files | CMS](#)
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# THANK YOU

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