



May 8, 2024

The Honorable Kamala D. Harris
Vice President
President
United States Senate
Washington, DC 20510

Dear Madam Vice President:

I am respectfully submitting the enclosed report, *Medicare National Coverage Determinations for Fiscal Year 2022*, which is required by section 1869(f)(7) of the Social Security Act.

The Centers for Medicare & Medicaid Services (CMS) administers Medicare coverage policy. Most Medicare coverage determinations are made at the local level by contractors that process and pay Medicare claims. In certain cases, CMS develops a National Coverage Determination (NCD) for an item or service to be applied on a national basis for all Medicare beneficiaries (often based on external requests). This report includes a list of all NCDs implemented in Fiscal Year 2022 for medical items and services. In addition, it details the time it took to complete each NCD and the length of time to fully implement the coding and payment determinations related to the NCD.

I hope you find this report useful. I am also sending this report to the Speaker of the House of Representatives. Please do not hesitate to contact me if you have questions or concerns.

Sincerely,

A handwritten signature in blue ink, which appears to read "Melanie Anne Egorin", is written over a large, stylized blue ink flourish.

Melanie Anne Egorin, Ph.D.
Assistant Secretary for Legislation

Enclosure



May 8, 2024

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Johnson:

I am respectfully submitting the enclosed report, *Medicare National Coverage Determinations for Fiscal Year 2022*, which is required by section 1869(f)(7) of the Social Security Act.

The Centers for Medicare & Medicaid Services administers Medicare coverage policy. Most Medicare coverage determinations are made at the local level by contractors that process and pay Medicare claims. In certain cases, CMS develops a National Coverage Determination (NCD) for an item or service to be applied on a national basis for all Medicare beneficiaries (often based on external requests). This report includes a list of all NCDs implemented in Fiscal Year 2022 for medical items and services. In addition, it details the time it took to complete each NCD and the length of time to fully implement the coding and payment determinations related to the NCD.

I hope you find this report useful. I am also sending this report to the President of the Senate. Please do not hesitate to contact me if you have questions or concerns.

Sincerely,

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Melanie Anne Egorin, Ph.D.
Assistant Secretary for Legislation

Enclosure



**U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services**

**Report to Congress on
Medicare National
Coverage Determinations
For Fiscal Year 2022**

May 2024

This is the twenty-second annual report to Congress on Medicare National Coverage Determinations (NCDs) from the Centers for Medicare & Medicaid Services (CMS). Consistent with section 1869(f)(7) of the Social Security Act (the Act), CMS reports the amount of time it took to complete and implement all NCDs (including NCDs for items and services not previously covered as Medicare benefits) made between October 1, 2021, and September 30, 2022. In Fiscal Year (FY) 2022, we achieved an average time of 7.7 months from the date of a formal request to the date of publication of the proposed decision memorandum (DM), which is not within the statutory timeframe set by section 1862(l)(2) of the Act. Additionally, it took an average of 134 days from date of publication of the proposed DM to the final DM,¹ which is not within the statutory timeframe set forth at section 1862(l)(3) of the Act. It took an average of an additional 203 days to fully implement the payment and coding changes for NCDs to cover an item or service from the date the final DM was published on the CMS website. (Coding changes occur on a fixed quarterly cycle.)

Medicare payment is contingent on a determination that an item or service fits within a statutory benefit category, is not specifically excluded from coverage, and in most circumstances, that the item or service is “reasonable and necessary” for Medicare beneficiaries. Section 1862(a)(1)(A) of the Act states that, subject to certain limited exceptions, no payment may be made for any expenses incurred for items or services that are not “reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member....” CMS exercises these authorities to make coverage determinations regarding whether specific items or services fit within one of the broadly defined benefit categories and can be covered under the Medicare program.

National Coverage Determinations (NCDs)

As defined in section 1862(1) of the Act, an NCD entails a determination by the Secretary with respect to whether or not a particular item or service is covered nationally under title XVIII of the Act. In general, an NCD is a national policy statement granting, limiting, or excluding Medicare coverage for a particular medical item or service. An NCD is usually written in terms of a specific patient population that may receive (or not receive) Medicare payment for a particular item or service. NCDs are binding on all Medicare Administrative Contractors (MACs), Quality Improvement Organizations, Qualified Independent Contractors, Administrative Law Judges, and the Medicare Appeals Council.

Since multiple MACs process and pay claims for Medicare beneficiaries, it takes time to communicate precisely how to implement these uniform national policies, once a decision is made. Implementation may include technical, localized computer systems changes, and/or changes to multiple shared computer systems that involve all Medicare fee-for-service (FFS) contractors and system maintainers. Beneficiaries are protected by the NCD’s effective date when an NCD expands coverage, even if computer system edits are delayed. Medicare instructions include an effective date that establishes when items and services will be covered (or

¹ The effective date for an NCD coincides with the date the final decision memorandum is published consistent with sections 1862(a)(1)(A) and 1862(1) of the Act.

not covered) as well as an implementation date indicating the last day contractors have to complete all required system edits.

CMS uses the phrase national coverage analysis (NCA) to describe the process for making an NCD. In FY 2022, CMS implemented three NCDs and initiated four NCAs. Not all NCAs lead to an NCD. Some NCAs will remove the national coverage or leave the coverage decision to Medicare Administrative Contractors (MACs). All NCAs review the relevant evidence. We have noted when an NCA did not result in an NCD on the attached chart.

Statutory timeframes for completing NCDs

- **Six months:** From a formal request to publication of the proposed NCD (nine months if there is an external Technology Assessment [TA] or a Medicare Evidence Development & Coverage Advisory Committee [MEDCAC] meeting).
- **90 days:** From the date of publication of a proposed NCD to release of a final NCD.

Table 1 below presents the details of each NCD implemented in FY 2022, including the outcome of CMS review and the completion times.

Table 2 below presents the details of each NCA initiated in FY 2022.

- Implemented in FY 2022:
 - Transcatheter Mitral Valve Repair (TMVR) (initiated FY 2019)
 - Autologous Blood-Derived Products for Chronic Non-Healing Wounds (initiated FY 2020)
 - Screening for Colorectal Cancer - Blood-Based Biomarker Tests (initiated FY 2020)
 - AlloMap® Molecular Expression Testing For Detection of Rejection of Cardiac Allografts (initiated FY 2021, NCD not issued)¹
 - Transvenous (Catheter) Pulmonary Embolectomy (initiated FY 2021, NCD removed FY 2022)²
- Initiated in FY 2022:
 - Home Use of Oxygen
 - Seat Elevation Systems as an Accessory to Power Wheelchairs (Group 3)
 - Cochlear Implantation
 - Beta Amyloid Positron Emission Tomography in Dementia and Neurodegenerative Disease (NCD removed FY 2023)³

¹ On April 13, 2021, CMS released a final decision memorandum announcing that it is not issuing an NCD for AlloMap® Molecular Expression Testing for Detection of Rejection of Cardiac Allografts (CAG-00455N), permitting coverage determinations to be made by the local Medicare Administrative Contractors (MACs) under section 1862(a)(1)(A) of the Social Security Act (the Act).

² On October 28, 2021, CMS released a final decision memo removing national noncoverage of Transvenous (Catheter) Pulmonary Embolectomy (NCD 240.6). The removal of the NCD allows Medicare coverage determinations to be made by MACs under section 1862(a)(1)(A) of the Act.

Table 1: NCDs Implemented in FY 2022

	NCA type/result	Proposed <u>DM</u> ³	Final <u>DM</u> ⁴	<u>NCD</u> implemented ⁵
Decisions initiated in FY 2019 and implemented in FY 2022				
Transcatheter Mitral Valve Repair (TMVR)	1 st Reconsideration, CED ⁶	10.5	203	262
Decisions initiated in FY 2020 and implemented in FY 2022				
Autologous Blood-Derived Products for Chronic Non-Healing Wounds	4 th Reconsideration	8.6	113	210
Screening for Colorectal Cancer - Blood-Based Biomarker Tests	New	7.6	95	258
Decisions initiated in FY 2021 and implemented in FY 2022				
AlloMap® Molecular Expression Testing For Detection of Rejection of Cardiac Allografts ⁷	New	0	179	N/A
Transvenous (Catheter) Pulmonary Embolectomy ⁸	1 st Reconsideration	3.9	78	81
AVERAGE		7.7	134	203

³ Months elapsed from date of opening coverage analysis to date of proposed NCD posted on CMS Website.

⁴ Days elapsed from date of proposed NCD to date of final NCD. (The Social Security Act requires that the final NCD include changes made as a result of the 30-day public comment period and a summary of, and responses to, all public comments received.)

⁵ Days elapsed from date of final NCD posted on CMS website (i.e., policy effective date) to date of published implementation instructions.

⁶ Coverage with Evidence Development (CED) refers to coverage contingent on beneficiaries' participation in an approved clinical study to generate further evidence.

⁷ See footnote 1.

⁸ Effective October 28, 2021, CMS removed this NCD.

Table 2: NCDs Initiated in FY 2022

	NCA type/result	Proposed DM ⁴	Final DM ⁵	NCD Implemented ⁶
Decisions initiated in FY 2022				
Beta Amyloid Positron Emission Tomography in Dementia and Neurodegenerative Disease ⁹	1 st Reconsideration	13	88	67
Home Use of Oxygen	3 rd Reconsideration	0	57	179
Seat Elevation Systems as an Accessory to Power Wheelchairs (Group 3)	New	6	90	111
Cochlear Implantation	1st Reconsideration	4.2	82	179

⁹ Effective October 13, 2023, CMS removed this NCD. The implementation date is 12/19/23.

Factors CMS Considers in Commissioning External Technology Assessments

During the NCD process, CMS may determine that it needs assistance in evaluating the evidence. In many cases this will occur following the opening of an NCD (see guidance document on factors we consider in opening an NCD, which is available on the CMS coverage website at [https://www.cms.gov/medicare/coverage/determination-process#:~:text=National%20coverage%20determinations%20\(NCDs\)%20are,Coverage%20Advisory%20Committee%20\(MEDCAC\).](https://www.cms.gov/medicare/coverage/determination-process#:~:text=National%20coverage%20determinations%20(NCDs)%20are,Coverage%20Advisory%20Committee%20(MEDCAC).)

In other cases we may determine that we need an external Technology Assessment (TA) to evaluate the available evidence prior to deciding on the need for an NCD review. There may also be instances when an external TA will help inform us on the status of the evidence on certain topics of interest to the Agency.

CMS explains the factors we consider in commissioning an external TA in a guidance document, which is also available on the CMS coverage website at <https://www.cms.gov/medicare-coverage-database/view/medicare-coverage-document.aspx?MCDId=7>

CMS may request an external TA if one or more of the following conditions applies:

- The body of evidence to review is extensive, making it difficult to complete an internal TA within the six-month statutory timeframe.
- An independent formulation of the appropriate assessment questions and methodological approach to an issue is desirable given the complexity or conflicting nature of the medical and scientific literature available.
- Significant differences in opinion among experts concerning the relevant evidence or in the interpretation of data suggest that an independent analysis of all relevant literature will be of value.
- The review requires unique technical and/or clinical expertise not available within CMS at the time of the review.
- The review calls for specialized methods (e.g., decision modeling, meta-analysis) in health technology assessment.
- The topic under consideration will be referred for consideration to the Medicare Evidence Development & Coverage Advisory Committee (MEDCAC).
- Relevant, non-proprietary, but unpublished data could be collected and analyzed.

Factors CMS Considers in Referring Topics to the MEDCAC

We explain the factors we consider in referring a topic to the MEDCAC in a guidance document, which is available on the CMS coverage website at <https://www.cms.gov/medicare-coverage-database/view/medicare-coverage-document.aspx?MCDId=10>

CMS may refer a topic to the MEDCAC under any of the following circumstances:

- There is significant controversy among experts. The opinions of clinical and scientific experts vary about the medical benefit of the item or service, the level of competence of providers, the requirements of facilities, or some other significant consideration that would affect whether the item or service is "reasonable and necessary" under the Social Security Act.
- The existing published studies contain potentially significant methodological flaws such as flawed design, inappropriate data analysis, or small sample size.
- The available research has not addressed policy-relevant questions.
- The available research has not addressed diseases and conditions or the special needs of the elderly in the Medicare population.
- The existing published studies show conflicting results.
- CMS would like additional expert review of the methods used in external TAs, particularly when there are questions about a TA, about complex clinical issues, or about specialized methods such as decision modeling.
- CMS would like greater public input by receiving and considering comments on the effectiveness of an item or service that could be subject to varying interpretations; or it would be helpful to obtain the perspective of affected patients and caregivers (e.g., the degree of perceived benefit, subjective assessment of risk, or burden of side effects) through public comments and voting representatives on the panel.
- Use of the technology is the subject of controversy among the general public.
- Presentation, public discussion, and clarification of the appropriate scope for the technical review, a preferred methodological approach, or a clinical management issue would benefit future NCDs.
- Dissemination of a technology may have a major impact on the Medicare program, the Medicare population, or clinical care for specific beneficiary groups.
- CMS determines that the NCD process would be better informed by deliberation that incorporates the viewpoint of patient advocates as well as a broad societal perspective of factors not directly related to the scientific review of the evidence but nevertheless relevant to the decision.