

**CY 2017 Proposed Rule
Physician Fee Schedule
(CMS-1654-P)**
Direct Practice Expense Inputs Used To Create
Resource-Based Practice Expense Relative Value Units

This document contains descriptions of the various inputs used in the calculation of the practice expense (PE) relative value units (RVUs) that appear in the Proposed Rule (CMS-1654-P) for CY 2017.¹ There are three different types of direct PE inputs: clinical labor, disposable medical supplies, and medical equipment valued at \$500 or more.

The sources of these direct PE inputs are from one of the following:

1. Clinical Practice Expert Panels (CPEPs) convened in 1995 to develop estimates of the different types of resource inputs necessary to perform medical services;
2. A crosswalk to a related service developed based upon a clinical opinion by CMS;
3. The AMA's Relative Value Update Committee (RUC)²;
4. Refinement of the CPEP inputs by the AMA's Practice Expense Advisory Committee (PEAC) or the Practice Expense Review Committee (PERC) (which replaced the PEAC in September 2004) or the RUC Practice Expense Subcommittee (which took over the PERC's role in September 2007);
5. CMS; or
6. A medical specialty society.

DATA FILES

The five direct PE data files are the most current files available and are subject to change based upon CMS and RUC analysis. Each file is provided in both Microsoft Excel and comma separated value formats.

The data files contain one separate and unique record for each procedure code, including the resource input type (clinical labor, medical supplies, and medical equipment).

Three of the files contain the direct PE inputs for:

1. *Clinical Labor*;
2. *Medical Supplies*; and
3. *Medical Equipment*.

The fourth file contains the *Summary DPEI Output Table* contains summary cost information from each direct input data file for every CPT code, including when filled with modifiers TC, 26, or 53, for the non-facility and facility setting, as appropriate.

¹ In previous years, we have displayed recommended inputs even when these inputs are not used in the calculation of the PE RVUs. We note that we are no longer displaying such inputs in these public use files since they are not used in the calculation of the PE RVUs that appear in the proposed rule.

² We understand that the RUC will be posting the packet of RUC recommendations, approved RUC minutes, and vote totals from October 2015 and February 2016 on the AMA website. This posting will include the PE worksheets used in developing the direct PE input database.

The fifth file contains the task-level clinical labor time for all services reviewed for calendar years 2015, 2016, and 2017.

DATA ELEMENTS

The following tables provide data definitions for the various data elements included in the first four direct PE input tables described above.

1) The *Clinical Labor* file contains the following data elements:

PFS CY 2016 Data Elements	Description
HCPCS	The CPT or alpha-numeric HCPCS number for the service.
Source	Identifies the source of the resource inputs: the PEAC, RUC, CMS, a crosswalk by CMS, or a medical specialty society.
Labor Code	The code for the type of clinical labor.
Description	Specific description of the type of clinical labor.
Rate per Minute	Rate per minute for the type of clinical labor.
NF Pre Svc	Clinical labor time associated with pre-service period when the service is performed in a non-facility setting.
NF Svc	Clinical labor time associated with the service period when the service performed in a non-facility setting.
NF Post Svc	Clinical labor time associated with the post-service period when the service is performed in a non-facility setting.
F Pre Svc	Clinical labor time associated with pre-service period when the service is performed in a facility setting.
F Svc	Clinical labor time associated with the service period when the service performed in a facility setting.
F Post Svc	Clinical labor time associated with the post-service period when the service is performed in a facility setting.
Global	The global period associated with the service.
Reference Code	Identifies a reference code used to crosswalk practice expense inputs for the service.
RUC Meeting	Identifies the RUC meeting date or RUC Recommendation year when the code/service was refined.
RUC Tab	Identifies the associated tab of the RUC Recommendation book when code/service was refined.

2) The *Medical Supplies* file contains the following data elements:

PFS CY 2016 Data Elements	Description
HCPCS	The CPT or alpha-numeric HCPCS number for the service.
Source	Identifies the source of the resource inputs: the PEAC, RUC, CMS, a crosswalk by CMS, or a medical specialty society.

Category	General description of the medical supply category.
CMS Code	The CMS code identifying the specific type of medical supply.
Description	Specific description of the medical supply.
Unit	Unit of measure for the medical supply.
Price	Invoice or other validated price.
NF Quantity	Quantity of the medical supply used for the service in the non-facility setting.
F Quantity	Quantity of the medical supply used for the service in the facility setting.
Global	The global period associated with the service.
Reference Code	Identifies a reference code used to crosswalk practice expense inputs for the service.
RUC Meeting	Identifies the RUC meeting date or RUC Recommendation year when the code/service was refined.
RUC Tab	Identifies the associated tab of the RUC Recommendation book when code/service was refined.

3) The *Medical Equipment* file contains the following data elements:

PFS CY 2016 Data Elements	Description
HCPCS	The CPT or alpha-numeric HCPCS number for the service.
Source	Identifies the source of the resource inputs: the PEAC, RUC, CMS, a crosswalk by CMS, or a medical specialty society.
Category	General description of the medical equipment category.
CMS Code	The CMS code identifying the specific type of medical equipment.
Description	Specific description of the medical equipment.
Useful Life	Useful life of the medical equipment.
Price	Invoice or other validated price.
NF Time	The time associated with use of the medical equipment in the non-facility setting.
F Time	The time associated with use of the medical equipment in the facility setting.
Global	The global period associated with the service.
Reference Code	Identifies a reference code used to crosswalk practice expense inputs for the service.
RUC Meeting	Identifies the RUC meeting date or RUC Recommendation year when the code/service was refined.
RUC Tab	Identifies the associated tab of the RUC Recommendation book when code/service was refined.

4) The *Summary DPEI Output Table* file contains the following data elements:

PFS CY 2016 Data Elements	Description
HCPCS	The CPT or alpha-numeric HCPCS number for the service.
Modifier	TC, 26, or 53 modifier associated with the service.
HCPCSMOD	Combination of the HCPCS and Modifier.

Need PE	Indicates whether the service requires a practice expense RVU.
Need NF PE	Indicates whether the service requires a practice expense RVU in the non-facility setting.
Need F PE	Indicates whether the service requires a practice expense RVU in the facility setting.
NF Pre Svc Cost	The total cost of the clinical labor time associated with pre-service period when the service is performed in a non-facility setting.
NF Svc Cost	The total cost of the clinical labor time associated with the service period when the service performed in a non-facility setting.
NF Post Svc Cost	The total cost of the clinical labor time associated with the post-service period when the service is performed in a non-facility setting.
F Pre Svc Cost	The total cost of the clinical labor time associated with pre-service period when the service is performed in a facility setting.
F Svc Cost	The total cost of the clinical labor time associated with the service period when the service performed in a facility setting.
F Post Svc Cost	The total cost of the clinical labor time associated with the post-service period when the service is performed in a facility setting.
NF Supply Cost	The total cost of the medical supplies associated with the service when performed in the non-facility setting.
F Supply Cost	The total cost of the medical associated with the service when performed in the facility setting.
NF Equipment Cost	The total cost of the medical equipment associated with the service when performed in the non-facility setting.
F Equipment Cost	The total cost of the medical equipment associated with the service when performed in the facility setting.

5) The *Clinical Labor Detail Task* file contains the following data elements:

PFS CY 2016 Data Elements	Description
HCPCS code	The CPT or alpha-numeric HCPCS number for the service.
HCPCS code description	Specific description of the medical service being performed.
Period	The service period for the type of clinical labor.
Labor code	The code for the type of clinical labor.
Labor code description	Specific description of the type of clinical labor.
Labor cost per minute	Rate per minute for the type of clinical labor.
Labor activity	Specific description of the clinical labor activity being performed.
Non-facility minutes	Clinical labor time associated with this activity when the service is performed in a non-facility setting.
Facility minutes	Clinical labor time associated with this activity when the service is performed in a facility setting.

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