

Hospital Outpatient Panel

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Request and Recommendation to Reinstate  
Level III APC for Laparoscopic Procedures

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### **Key Points:**

- APC 5362 (Level II Laparoscopic Procedures) contains very diverse procedures with variable resource requirements
- Divergence of cost and payment has the potential to negatively impact Medicare beneficiary access

### **Recommendation:**

- Reinstate APC 5363 (Level III Laparoscopic Procedures) to better accommodate high volume, high geometric mean cost procedures and improve clinical cohesiveness and resource alignment.

### **Rationale:**

- Robotic assisted laparoscopic surgical procedure volume continues to grow
- Published, peer-reviewed evidence supports improved clinical outcomes of laparoscopic procedures
- Medicare beneficiaries frequently receive laparoscopic surgical procedures
- Additional refinement of Laparoscopic APCs is needed to provide appropriate reimbursement to hospital outpatient departments to safeguard continued access to Medicare beneficiaries

# Background on Laparoscopic Procedures

- CMS originally created three APCs to describe laparoscopic procedures APC 0130, 0131, 0132.
- In 2015, CMS condensed the laparoscopic procedures into two APCs: APC 5361 - Level 1 and APC 5362 - Level 2 Laparoscopic Procedures (effective 1/2016).
- Since the change in 2016, additional procedures have been added to APCs 5361 and 5362.
- The two APCs combined now have:
  - Comprehensive status (J-1)
  - Contain over 147 varied surgical procedures
  - CMS identified 249,171 single frequency claims in the 2019 claim data
  - 26% of various types of procedures exceed 1000 procedures (37/147)
  - Of the 37 high volume procedures, 15 procedures have geometric mean costs that are significantly higher than the proposed Medicare payment rate for 2022

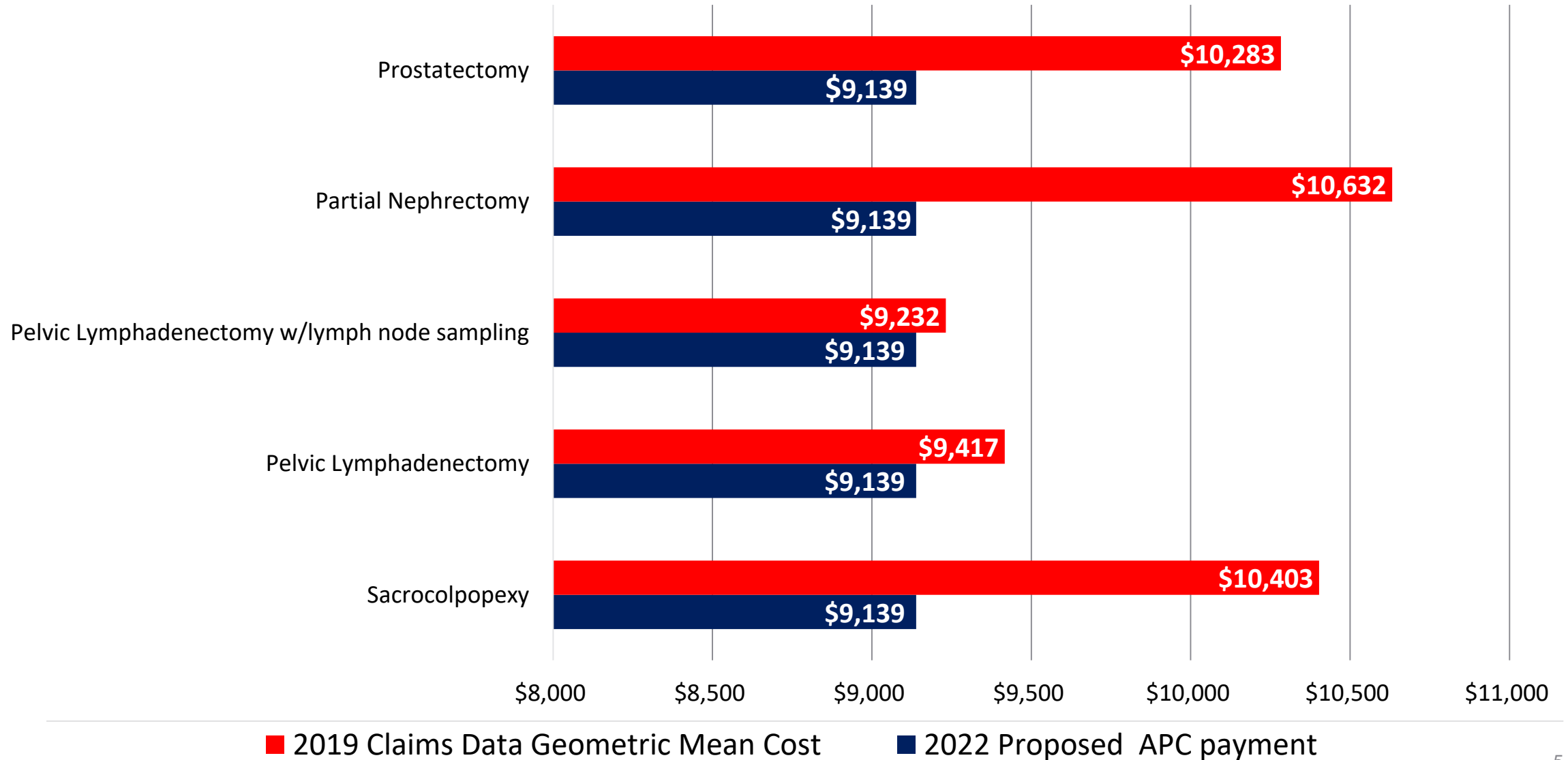
# APC 5362

## Laparoscopic GYN & URO procedures >1,000 drive cost

CPT Code	CPT Code Descriptor	2019 Single Frequency Claims	2019 Geometric Mean Cost
55866	Laparoscopic Prostatectomy	9,639	\$10,283
57425	Laparoscopic Sacrocolpopexy	6,176	\$10,403
38571	Laparoscopic Pelvic Lymphadenectomy	1,945	\$9,417
50543	Partial Nephrectomy	1,849	\$10,632
38572	Laparoscopic Pelvic Lymphadenectomy with peri-aortic lymph node sampling	1,003	\$9,232

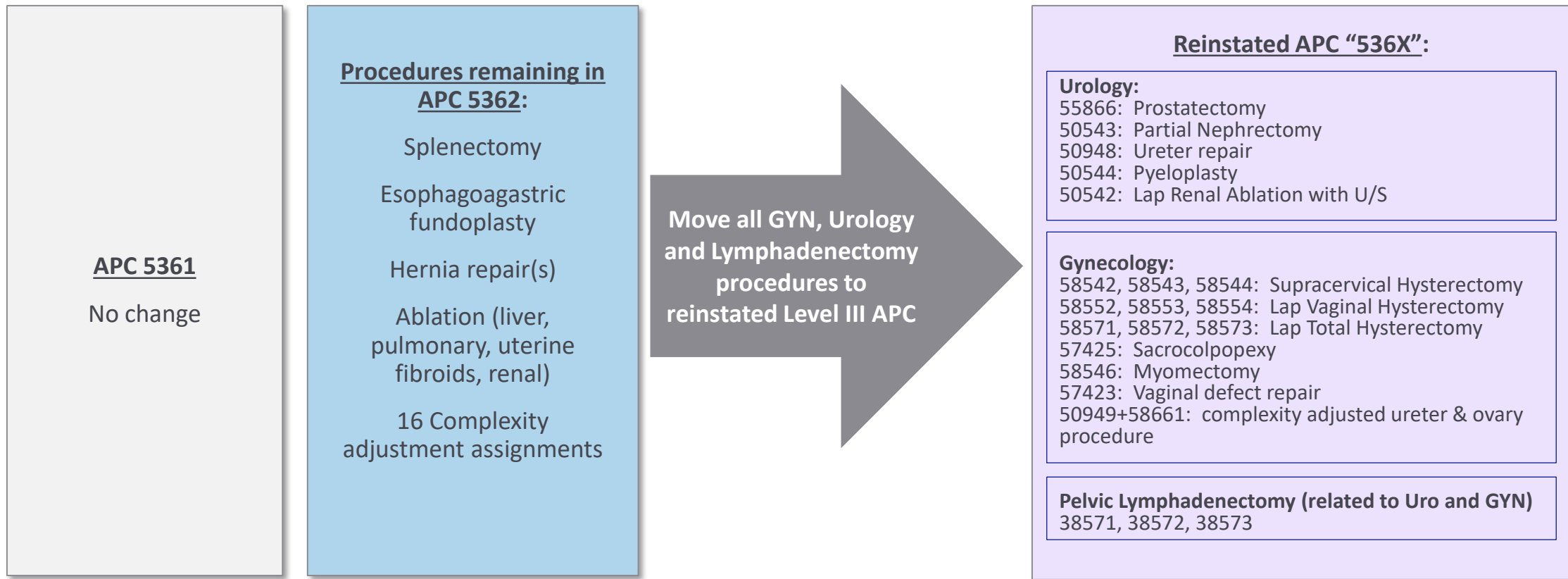
# APC 5362

## 2019 Cost versus 2022 Proposed Payment



# Recommendation: Reinstate Level III Laparoscopic Procedures APC

- Creates more clinically cohesive APC family
- Allows for better resource utilization
- Expands laparoscopic APC family for future technologies



# Alternative: Move 5 Urology Procedures from APC 5362 to APC 5377

- Geometric mean costs of APC 5377 align with urology procedures in APC 5362
- Urology procedures in APC 5362 are clinically aligned to APC 5377
- Moving urology procedures from APC 5362 to APC 5377 adds stability to costs of procedures in APC 5377

Current Urology APC 5377			
Code	Descriptor	Claims	Geo Mean Cost
0548T	Transperineal periurethral balloon device	0	\$0
53440	Male sling procedure	749	\$10,135
54400	Insert semi-rigid prosthesis	175	\$11,280
54417	Remove/replace penis prosthesis compl	12	\$12,294
+ Add from APC 5362			
55866	Laparoscopic prostatectomy	9,639	\$10,283
50543	Partial nephrectomy	1,849	\$10,632
50948	Laparoscopy new ureter/bladder	19	\$10,724
50542	Laparoscopy ablate renal mass w intraop US	102	\$10,848
50544	Laparoscopy surgical pyeloplasty	397	\$9,423

REVISED APC 5377 - CY 2022	
0548T	Transperineal periurethral balloon device
53440	Male sling procedure
54400	Insert semi-rigid prosthesis
54417	Remove/replace penis prosthesis compl
55866	Lap prostatectomy
50543	Partial nephrectomy
50948	Lap new ureter/bladder
50542	Lap ablate renal mass w intraop US
50544	Lap pyeloplasty

# Thank you!

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