OMFS Update for Physician and Non-Physician Practitioner Services

Explanation of Changes

(Effective January 1, 2022)

# Data Sources

**CY 2022 Medicare Physician Fee Schedule Final Rule**

The Centers for Medicare and Medicaid Services’ (CMS) CY 2022 update to the Medicare physician fee schedule was published in the Federal Register on November 19, 2021 (86 Fed. Reg. 64996). It is entitled “Medicare Program; CY 2022 Payment Policies Under the Physician Fee Schedule and Other Changes to Part B Payment Policies; Medicare Shared Savings Program Requirements; Provider Enrollment Regulation Updates; and Provider and Supplier Prepayment and Post-Payment Medical Review Requirements” [CMS–1751–F.] Hereafter, the final rule will be referenced as “CY 2022 Medicare Physician Fee Schedule Final Rule, CMS-1751-F” or “Final Rule, CMS-1751-F”.

The [CY 2022 Medicare Physician Fee Schedule Final Rule, CMS-1751-F, and supporting download files](https://www.cms.gov/medicaremedicare-fee-service-paymentphysicianfeeschedpfs-federal-regulation-notices/cms-1751-f) are available on the CMS’ Physician Fee Schedule Federal Regulation Notices web page.

**Congressional Legislation**

[Consolidated Appropriations Act, 2021 (HR 133)](https://www.congress.gov/116/bills/hr133/BILLS-116hr133enr.pdf) Public Law 116-260.

[Protecting Medicare and American Farmers from Sequester Cuts Act](https://www.congress.gov/bill/117th-congress/senate-bill/610/text) Public Law 117-71.

# Revisions Adopted by Update Order to Conform to Relevant Medicare Changes

**Update Table**

**Title 8 CCR §9789.19:** A new subdivision (i) is added, adopting updates for services rendered on or after January 1, 2022, to conform to Medicare changes, as follows:

| **Document/Data** | **Services Rendered On or After January 1, 2022 & Mid-year Updates** |
| --- | --- |
| Adjustment Factors- Services Other than Anesthesia | Updated to include the relevant 2022 Medicare adjustment factors:  2022 RVU budget neutrality adjustment factor: -0.10% (0.9990) [86 Fed. Reg. 64996, 65619, Final Rule, CMS-1751-F, Table 134]  2022 Annual increase in the Medicare Economic Index (MEI): 2.1% (1.021) [CMS’ [Actual Regulation Market Basket Updates (ZIP)](https://www.cms.gov/files/zip/actual-regulation-market-basket-updates.zip)]  Consolidated Appropriations Act, 2021, temporary increase of 3.75% (1.0375) for CY 2021 has expired; adjustment made for 2022 to account for expiration  Protecting Medicare and American Farmers from Sequester Cuts Act, Public Law 117-71 increase of 3% for CY 2022 (1.03)  [See detailed explanation set forth below this table.] |
| Adjustment Factors - Anesthesia | Updated to include the relevant 2022 Medicare adjustment factors:  2022 RVU budget neutrality adjustment factor: -0.10% (0.9990) [86 Fed. Reg. 64996, 65619, Final Rule, CMS-1751-F, Table 135]  2022 Anesthesia practice expense and malpractice adjustment factor: 0.84% (1.0084)  [86 Fed. Reg. 64996, 65619, Final Rule, CMS-1751-F, Table 135]  2022 Annual increase in the MEI: 2.1% (1.021) [CMS’ [Actual Regulation Market Basket Updates (ZIP)](https://www.cms.gov/files/zip/actual-regulation-market-basket-updates.zip)]  Consolidated Appropriations Act, 2021, temporary increase of 3.75% (1.0375) for CY 2021 has expired; adjustment made for 2022 to account for expiration  Protecting Medicare and American Farmers from Sequester Cuts Act, Public Law 117-71 increase of 3% for CY 2022 (1.03)  [See detailed explanation set forth below this table.] |
| Anesthesia Base Units by CPT Code | The anesthesia base units are updated to the Medicare 2022 base units by CPT code excel file. |
| California-Specific Codes | The maximum fee for each of these codes has been updated by the MEI 2.1% increase (1.021) pursuant to section 9789.12.14. |
| CMS’ Medicare National Physician Fee Schedule Relative Value File [Zip] | Updated to the CMS’ 2022 RVU22A. |
| Conversion Factors adjusted for MEI, Relative Value Scale adjustment factors, and application of Protecting Medicare and American Farmers From Sequester Cuts Act increase of 3% for CY 2022 | Updated the conversion factors in accordance with Labor Code §5307.1, subdivision (g)(1)(A) and subdivision (c) of title 8, California Code of Regulations, § 9789.12.5 and in accordance with relevant provisions of the Protecting Medicare and American Farmers From Sequester Cuts Act, Public Law 117-71 which adopts a 3% increase in Medicare Physician Fee Schedule fees for CY 2022. The conversion factors are also calculated to account for the expiration of the Consolidated Appropriations Act adjustment for CY 2021.  The 2022 Adjusted Conversion Factor for services other than Anesthesia is the Conversion Factor used to determine the maximum fees.  The 2022 Conversion Factor for anesthesia is further adjusted to calculate the 2022 GPCI-Adjusted Anesthesia Conversion Factors set forth in Section 9789.19.1 Table A 2022. These GPCI-adjusted conversion factors are used to determine the maximum fees for services rendered in the specified localities.  [See detailed explanation set forth below this table.] |
| Current Procedural Terminology (CPT®) | Updated to CPT® 2022. |
| Current Procedural Terminology  CPT codes that shall not be used | Unchanged |
| Diagnostic Cardiovascular Procedure CPT codes subject to the MPPR | Updated to 2022. |
| Diagnostic Imaging Family Indicator Description | Unchanged, updated reference to 2022. |
| Diagnostic Imaging Family Procedures Subject to the MPPR | Updated to 2022. |
| Diagnostic Imaging Multiple Procedures Subject to the MPPR | Updated to 2022. |
| DWC Pharmaceutical Fee Schedule | Sets forth reference to DWC pharmaceutical fee schedule web page, which is unchanged from 2021. |
| Geographic Practice Cost Index (GPCI) by locality (Other than anesthesia services) | Updated to 2022. Adopted and incorporated by reference specified columns of files from the 2022 CMS’ Medicare National Physician Fee Schedule Relative Value File RVU22A (ZIP):   * GPCI2022 (Column C (“Locality Number”), column D (“Locality Name”), column E (“2022 PW GPCI”), column F (“2022 PE GPCI”), and column G (“2022 MP GPCI”) for the State of California (“CA”))   [Based on Addendum E to CY 2022 Medicare Physician Fee Schedule Final Rule, CMS-1751-F which can be accessed in [CY 2022 PFS Final Rule Addenda (ZIP)](https://www.cms.gov/files/zip/cy-2022-pfs-final-rule-addenda.zip) on CMS website]   * 22LOCCO – Column B (“Locality Number”), column C (“State”), column D (“Fee Schedule Area”), and column E (“Counties”) for the State of California (“CA”) |
| Geographic Practice Cost Index (GPCIs) by locality and anesthesia shares (Anesthesia) | Updated to the Medicare 2022 locality GPCIs and Medicare 2022 Anesthesia Shares as set forth on the document “Section 9789.19.1\_Table\_A\_2022”, pursuant to title 8 CCR, section 9789.19.1.  Medicare data utilized is as follows.  GPCIs:  RVU22A (ZIP)  GPCI2022 – Column C (“Locality Number”), column D (“Locality Name”), column E (“2022 PW GPCI (without 1.0 Floor)”), column F (“2022 PE GPCI”), and column G (“2022 MP GPCI”) for the State of California  Anesthesia Shares:  [2022 Anesthesia Conversion Factors [ZIP]](https://www.cms.gov/files/zip/2022-anesthesia-conversion-factors.zip)   * Anesthesia Shares [excel sheet: Anesthesia Shares]   Locality for anesthesia services determined by Medicare county to locality index.  RVU22A (County to locality index)   * 22LOCCO – Column B (“Locality Number”), column C (“State”), column D (“Fee Schedule Area”), and column E (“Counties”) for the State of California (“CA”) |
| Geographic Practice Cost Index (GPCI) locality mapping  Zip Code files mapping zip codes to GPCI locality (for “other than anesthesia services” and anesthesia services) | Updated to the 2022 files.  The current [CMS Zip Code to Carrier Locality files](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/FeeScheduleGenInfo/index) can be accessed on the CMS website. |
| Geographic Health Professional Shortage Area zip code data files | Updated to 2022 files for the Primary Care Geographic HPSA and the Mental Health Geographic HPSA. |
| Health Resources and Services Administration: Geographic HPSA shortage area query (By State & County) | Unchanged from 2021. Sets forth reference to the HRSA Geographic HPSA shortage area web page query by state/county. |
| Health Resources and Services Administration: Geographic HPSA shortage area query (By Address) | Unchanged from 2021. Sets forth reference to the HRSA Geographic HPSA shortage web page query by address. |
| Incident To Codes | Updated to 2022. |
| Medi-Cal Rates – DHCS | Updated for services rendered on or after January 1, 2022, use: Medi-Cal Rates file – Updated 12/15/2021. The Medi-Cal rates file will be updated monthly by Administrative Director’s posting order. Medi-Cal rates are updated as of the 15th of each month, posted to the Medi-Cal website on or about the 16th of each month, and posted to the DWC website as soon as feasible. |
| National Correct Coding Initiative (NCCI) Edits: Medically Unlikely Edits (MUE) | Updated to adopt the 2022 MUE file, excluding all codes listed with Practitioner Services MUE Value of “0” (zero).” DWC has created and posted an excerpt of the file excluding the “zero” value codes for the convenience of the public. |
| National Correct Coding Initiative (NCCI) Edits:  National Correct Coding Initiative Policy Manual for Medicare Services | Updated to the CMS’ 2022 annual manual. |
| National Correct Coding Initiative (NCCI) Edits:  Practitioner Procedure to Procedure (PTP) Edits | Updated to 2022 “Practitioner PTP Edits, v280r1, Effective January 1, 2022, (posted 12/16/2021)”. |
| Ophthalmology Procedure CPT codes subject to the MPPR | Updated to 2022. |
| Physical Therapy Multiple Procedure Payment Reduction: “Always Therapy” Codes; and Acupuncture and Chiropractic Codes | Updated to 2022 Medicare list of “Always Therapy Codes”. In addition, retain the acupuncture codes and chiropractic manipulation codes, which are unchanged from 2021. |
| Physician Time | Updated to 2022. |
| Splints and Casting Supplies | Sets forth reference to the Durable Medical Equipment, Prosthetics, Orthotics, Supplies fee schedule applicable to the date of service; reference is unchanged from 2021. |
| Telehealth – Services Accessible Through Telehealth (using audio and video telecommunication method and audio only telecommunication method) During the COVID-19 Public Health Emergency | Updated to the Medicare Telehealth List for Calendar Year 2022 updated 11/1/2021. |

**Adjustment Factors – Updating the Conversion Factors**

**Conversion Factor for Services Other than Anesthesia**

The 2022 conversion factor for services other than anesthesia is updated pursuant to Labor Code section 5307.1, subdivision (g)(1)(A) and title 8, CCR, section 9789.12.5, subdivision (c), to conform to relevant changes in the Medicare Physician Fee Schedule payment system as adopted in the Medicare Final Rule, CMS 1751-F, and in light of relevant federal legislation. Congressional Acts that impact the calculation of the 2022 conversion factor include:

1. The [Consolidated Appropriations Act, 2021 (HR 133)](https://www.congress.gov/116/bills/hr133/BILLS-116hr133enr.pdf), Division N - Additional Coronavirus Response and Relief, Title I - Healthcare, Section 101 Supporting Physicians and Other Professionals in Adjusting to Medicare Payment Changes During 2021.
2. The [Protecting Medicare and American Farmers from Sequester Cuts Act](https://www.congress.gov/bill/117th-congress/senate-bill/610/text) Public Law No. 117-71.

Labor Code section 5307.1, subdivision (g)(1)(A) states in part as follows:

(g) (1) (A) Notwithstanding any other law, the official medical fee schedule *shall be adjusted to conform to any relevant changes in the Medicare* and Medi-Cal payment systems no later than 60 days after the effective date of those changes, subject to the following provisions:

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(iii) The annual adjustment factor for physician services shall be based on the product of one plus the percentage change in the *Medicare Economic Index* and any *relative value scale adjustment factor*. [Emphasis added.]

Title 8, CCR, section 9789.12.5, subdivision (c) states:

“(c) For calendar year 2018, and annually thereafter, the Anesthesia conversion factor and the Other Services conversion factor in effect in the prior calendar year shall be updated by the Medicare Economic Index inflation rate and by the Relative Value Scale Adjustment Factor, if any.”

The 2022 annual increase in the Medicare Economic Index (MEI) is 2.1% (1.021). (CMS’ “[Actual Regulation Market Basket Updates (ZIP)](https://www.cms.gov/files/zip/actual-regulation-market-basket-updates.zip).”) The MEI is an input price index that accounts for annual changes in the various resources involved in providing physician services.

The 2022 Relative Value Scale (RVS) adjustment factor for all services other than anesthesia for 2022 is the Medicare 2022 RVU budget neutrality adjustment -0.10 percent (0.9990). [CY 2022 Medicare Physician Fee Schedule Final Rule, CMS-1751-F, Table 134.]

The “Statutory Update Factor” of 0.00 percent in Table 134 of CY 2022 Medicare Physician Fee Schedule Final Rule, CMS-1751-F is not applicable because Labor Code §5307.1(g)(1)(A)(iii) specifies that the physician fee schedule annual updates are to be based upon the Medicare Economic Index and any relative value scale adjustment factor, and the factor is not otherwise relevant.

The Consolidated Appropriations Act, 2021, Division N, Title I, Section 101, (a), passed in late December of 2020, amended 42 USC 1395w-4 by adding a new subdivision (t) that included a 3.75% increase in the calculation of payment amounts for calendar year 2021 only. This 3.75% increase has expired. In the CY 2022 Medicare Physician Fee Schedule Final Rule, CMS-1751-F, CMS states:

“… the CAA provided a 3.75 percent increase in PFS [Physician Fee Schedule] payment amounts for services furnished on or after January 1, 2021, and before January 1, 2022 and required that the increase shall not be taken into account in determining PFS payment rates for subsequent years. The expiration of this 3.75 percent increase in payment amounts will result in the CY 2022 conversion factor being calculated as though the 3.75 percent increase for the CY 2021 conversion factor had never been applied.” [86 FR at 65618.]

In December of 2021, subsequent to CMS’ adoption of the Medicare Physician Fee Schedule CY 2022 Final Rule, CMS 1751-F, Congress passed the Protecting Medicare and American Farmers from Sequester Cuts Act, Public Law No. 117-71, which, *inter alia*, altered the changes made by the Consolidated Appropriations Act to provide that the expiration of the CY 2021 Medicare Physician Fee Schedule 3.75% increase would be replaced by a 3% increase for CY 2022 only. As a result of the Protecting Medicare and American Farmers from Sequester Cuts Act, CMS calculated the Medicare CY 2022 conversion factor by increasing the CF as calculated in the Final Rule, CMS 1751-F, by 3 percent.

For workers’ compensation, the Other Services Conversion Factor includes the relevant Medicare adjustments:

* to account for the expiration of the CAA’s 2021 one-year 3.75% increase
* to apply the 2022 RVU budget neutrality adjustment [-0.10 percent (0.9990)]
* to apply the 2022 Medicare Economic Index adjustment [2.1 percent increase (1.021)]
* to apply the 3% increase (1.03) for CY 2022 set forth in Protecting Medicare and American Farmers from Sequester Cuts Act.

The 2022 CF for Services Other than Anesthesia is calculated as follows:

STEP ONE

Calculate what the CY 2021 CF would have been without the CAA 3.75% temporary increase:

Original calculation of 2021 CF as adopted (See Explanation of Changes March 1, 2021 Update):

$46.7879 (2020 CF) \* 1.014 (MEI) \* 0.9319 (RVU Budget Neutrality Adjustment revised by CMS after Final Rule) \* 1.0375 (Consolidated Appropriations Act, 2021 increase) = $45.8700.

New calculation:

Calculate what the CY 2021 CF would have been without the CAA 3.75% temporary increase:

$46.7879 (2020 CF) \* 1.014 (2021 MEI) \* 0.9319 (2021 RVU Budget Neutrality Adjustment revised by CMS after 2021 Final Rule) = $44.2121. [2021 CF adjusted from 2020, calculated as though temporary 3.75% increase did not exist]

STEP TWO

Apply the CY 2022 RVU Budget Neutrality Adjustment and CY 2022 MEI to the 2021 CF calculated in step one as though the CCA 3.75% increase had never been applied:

$44.2121 (2021 adjusted CF) \* 0.9990 (2022 RVU Budget Neutrality Adjustment) \* 1.021 (2022 MEI of 2.1%) = $45.0954 [calculated 2022 CF using adjusted 2021 CF as though 3.75% increase had never been applied.]

STEP THREE

Apply the 3% increase for CY 2022 adopted by the Protecting Medicare and American Farmers from Sequester Cuts Act to the CF calculated in step two.

$45.0954 \* 1.03 (3% increase) = 46.4482.

**Conversion Factor for Anesthesia Services**

The 2022 conversion factor for anesthesia services (before Geographic Practice Cost Index adjustment) is updated pursuant to Labor Code section 5307.1, subdivision (g)(1)(A) and title 8, CCR, section 9789.12.5, subdivision (c) to conform to relevant changes in the Medicare Physician Fee Schedule payment system as adopted in the Medicare Final Rule, CMS 1751-F, and in light of relevant federal legislation. Congressional Acts that impact the calculation of the 2022 conversion factor include:

1. The [Consolidated Appropriations Act, 2021 (HR 133)](https://www.congress.gov/116/bills/hr133/BILLS-116hr133enr.pdf), Division N - Additional Coronavirus Response and Relief, Title I - Healthcare, Section 101 Supporting Physicians and Other Professionals in Adjusting to Medicare Payment Changes During 2021.
2. The [Protecting Medicare and American Farmers from Sequester Cuts Act](https://www.congress.gov/bill/117th-congress/senate-bill/610/text) Public Law No. 117-71.

Labor Code section 5307.1, subdivision (g)(1)(A) states in part as follows:

(g) (1) (A) Notwithstanding any other law, the official medical fee schedule *shall be adjusted to conform to any relevant changes in the Medicare* and Medi-Cal payment systems no later than 60 days after the effective date of those changes, subject to the following provisions:

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(iii) The annual adjustment factor for physician services shall be based on the product of one plus the percentage change in the *Medicare Economic Index* and any *relative value scale adjustment factor*. [Emphasis added.]

Title 8, CCR, section 9789.12.5, subdivision (c) states:

“(c) For calendar year 2018, and annually thereafter, the Anesthesia conversion factor and the Other Services conversion factor in effect in the prior calendar year shall be updated by the Medicare Economic Index inflation rate and by the Relative Value Scale Adjustment Factor, if any.”

The 2022 annual increase in the Medicare Economic Index (MEI) is 2.1% (1.021). (CMS’ “[Actual Regulation Market Basket Updates](https://www.cms.gov/files/zip/actual-regulation-market-basket-updates.zip) (ZIP)”.) The MEI is an input price index that accounts for annual changes in the various resources involved in providing physician services.

The 2022 Relative Value Scale (RVS) adjustment factors for anesthesia services for 2022 are the Medicare 2022 RVU budget neutrality adjustment -0.10% (0.9990) and the 2022 Anesthesia Fee Schedule Practice Expense and Malpractice Expense Adjustment 0.84% (1.0084). (2022 Medicare Physician Fee Schedule Final Rule, CMS-1751-F, Table 135.)

The “Statutory Update Factor” of 0.00 percent in Table 135 of CY 2022 Medicare Physician Fee Schedule Final Rule, CMS-1751-F is not applicable because Labor Code §5307.1(g)(1)(A)(iii) specifies that the physician fee schedule annual updates are to be based upon the Medicare Economic Index and any relative value scale adjustment factor, and the factor is not otherwise relevant.

The Consolidated Appropriations Act, 2021, Division N, Title I, Section 101, (a), passed in late December of 2020, amended 42 USC 1395w-4 by adding a new subdivision (t) that included a 3.75% increase in the calculation of payment amounts for calendar year 2021 only. This 3.75% increase has expired. In the CY 2022 Medicare Physician Fee Schedule Final Rule, CMS-1751-F, CMS states:

“… the CAA provided a 3.75 percent increase in PFS [Physician Fee Schedule] payment amounts for services furnished on or after January 1, 2021, and before January 1, 2022 and required that the increase shall not be taken into account in determining PFS payment rates for subsequent years. The expiration of this 3.75 percent increase in payment amounts will result in the CY 2022 conversion factor being calculated as though the 3.75 percent increase for the CY 2021 conversion factor had never been applied.” [86 FR at 65618.]

In December of 2021, subsequent to CMS’ adoption of the Medicare Physician Fee Schedule CY 2022 Final Rule, CMS 1751-F, Congress passed the Protecting Medicare and American Farmers from Sequester Cuts Act, Public Law No. 117-71, which, *inter alia*, altered the changes made by the Consolidated Appropriations Act to provide that the expiration of the CY 2021 Medicare Physician Fee Schedule 3.75% increase would be replaced by a 3% increase for CY 2022 only. As a result of the Protecting Medicare and American Farmers from Sequester Cuts Act, CMS calculated the Medicare CY 2022 conversion factor by increasing the CF as calculated in the Final Rule by 3 percent.

For workers’ compensation, the Anesthesia Services Conversion Factor (before Geographic Practice Cost Index adjustments) includes the relevant Medicare adjustments:

* to account for the expiration of the CAA’s 2021 one-year 3.75% increase
* to apply the CY 2022 RVU budget neutrality adjustment [-0.10 percent (0.9990)]
* to apply the CY 2022 Anesthesia Fee Schedule Practice Expense and Malpractice Adjustment [0.84 percent (1.0084) increase]
* to apply the 2022 Medicare Economic Index adjustment [2.1 percent increase (1.021)]
* to apply the 3% increase (1.03) for CY2022 set forth in Protecting Medicare and American Farmers from Sequester Cuts Act.

The 2022 CF for Anesthesia Services (before Geographic Practice Cost Index adjustment) is calculated as follows:

STEP ONE

Calculate what the CY 2021 CF would have been without the CAA 3.75% temporary increase:

Original calculation of 2021 CF as adopted (See Explanation of Changes March 1, 2021 Update):

$28.1215 (2020 CF) \* 1.014 (MEI) \* 0.9319 (RVU Budget Neutrality Adjustment) \* 1.0044 (Anesthesia Fee Schedule Practice Expense and Malpractice Adjustment) \* 1.0375 (Consolidated Appropriations Act, 2021 increase) = $27.6911.

New calculation:

$28.1215 (2020 CF) \* 1.014 (2021 MEI) \* 0.9319 (2021 RVU Budget Neutrality Adjustment) \* 1.0044 (2021 Anesthesia Fee Schedule Practice Expense and Malpractice Adjustment) = $26.6902 [2021 CF adjusted from 2020 as though temporary 3.75% increase did not exist].

STEP TWO

Apply the CY 2022 MEI, 2022 RVU Budget Neutrality Adjustment, and 2022 Practice Expense and Malpractice Adjustment to the 2021 CF calculated as though the CCA 3.75% increase did not exist:

$26.6902 (2021 adjusted CF) \* 0.9990 (2022 RVU Budget Neutrality Adjustment of -0.10%) \* 1.021 (2022 MEI of 2.1%) \* (1.0084) (2022 Anesthesia Fee Schedule Practice Expense and Malpractice Adjustment of 0.84%) = $27.4521.

STEP THREE

Apply the 3% increase for CY2022 adopted by the Protecting Medicare and American Farmers from Sequester Cuts Act to the CF calculated in step two.

$27.4521 \* 1.03 (3% increase) = $28.2756.

**Title 8 CCR § 9789.19.1**

**GPCI-Adjusted Conversion Factors for Anesthesia Services – Section 9789.19.1 Table A for services on or after January 1, 2022**

For anesthesia services the GPCI adjustments are incorporated into the anesthesia conversion factors. Table A adopted pursuant to section 9789.19.1 contains the anesthesia conversion factors adjusted by Medicare locality GPCIs and anesthesia shares for anesthesia services rendered on or after January 1, 2022. The workers' compensation 2022 Anesthesia Conversion Factor is $28.28, which has been adjusted for Medicare Economic Index inflation rate, Relative Value Scale Adjustment factors (RVU Budget Neutrality Adjustment and Anesthesia Fee Schedule Practice Expense and Malpractice Adjustment), and Protecting Medicare and American Farmers From Sequester Act 3% increase. The 2022 Medicare Anesthesia Shares are applied to the Work GPCI, Practice Expense GPCI, and Malpractice GPCI to derive the GPCI-Adjusted Anesthesia Conversion Factors by locality. The formula is as follows:

[(Work GPCI by locality\*Anesthesia Work Share) + (Practice Expense GPCI by locality\*Anesthesia Practice Expense Share) + (Malpractice GPCI by locality\*Anesthesia Malpractice Share)] \* Anesthesia Conversion Factor].

The anesthesia shares are obtained from the Medicare anesthesia excel document “CY\_2022\_locality\_adjusted\_CF\_15DEC21” within [2022 Anesthesia Conversion Factors [ZIP]](https://www.cms.gov/files/zip/2022-anesthesia-conversion-factors.zip) (updated 12/20/2021) adopted by the Medicare Physician Fee Schedule Final Rule, CMS-1751-F. The 2022 Work GPCI, 2022 Practice Expense GPCI, 2022 Malpractice GPCI are set forth in the RVU22A zip file in the excel document “GPCI2022” and are also contained in the excel document “CY\_2022\_locality\_adjusted\_CF\_15DEC21”.

The anesthesia shares for 2022 are as follows.

| **Work** | **Practice Expense** | **Malpractice Expense** |
| --- | --- | --- |
| 0.776 | 0.161 | 0.063 |