

# New Technology Add-on Payment (NTAP for EchoGo<sup>®</sup> Heart Failure)

## Overview

Effective October 1, 2023, Ultromics, a pioneer in advancing heart failure diagnostics through artificial intelligence (AI), has received approval for NTAP from the Centers for Medicare & Medicaid Services (CMS) for its AI system, EchoGo<sup>®</sup> Heart Failure. This technology is indicated as a diagnostic aid for Heart Failure with Preserved Ejection Fraction (HFpEF) through routine echocardiographic assessment.

To qualify for the New Technology Add-on Payment (NTAP) in the hospital inpatient setting, patients must be insured by Medicare, analyzed by EchoGo<sup>®</sup> Heart Failure, and the patient's total cost of care must exceed the MS-DRG payment. If these conditions are met, Medicare will pay \$0.65 on every dollar of excess cost up to a maximum of \$1,023.75.

**CMS has determined that the maximum NTAP incremental payment for EchoGo<sup>®</sup> Heart Failure will be \$1,023.75 for FY2024 (effective October 1, 2023).**

## Inpatient Coding for EchoGo<sup>®</sup> Heart Failure

ICD-10-PCS Code	Descriptor
XXE2X19	AI decision support system, indicated as a diagnostic aid for patients undergoing routine functional cardiovascular assessment using echocardiography

## How is the NTAP Payment Calculated?

- 1 Determine total covered charges for the entire hospital stay where EchoGo<sup>®</sup> Heart Failure was used.
- 2 Determine the hospital-specific operating cost-to-charge ratio (CCR).
- 3 Compute the Total Covered Cost by multiplying the Total Covered charges by the CCR.
- 4 Determine the hospital specific MS-DRG payment.
- 5 Subtract the MS-DRG payment from the total covered costs of the case.
- 6 If the difference is greater than \$0, Medicare will make an add-on payment equal to the lesser of 65 percent of the difference or \$1,023.75.
- 7 Final NTAP Payment.
- 8 Total Case Payment. NTAP + MS-DRG

To qualify for an NTAP, total covered case costs must be greater than the assigned MS-DRG payment for that case						Determine the NTAP payment				Total Payment									
Example: Total Covered Charges	X	Example: Hospital CCR	=	Hospital Total Covered Cost	-	Example: Hospital MS-DRG Payment	=	Covered Cost Minus Hospital DRG Payment	x .65=	65% of Cost in Excess of MS-DRG	OR	Maximum Add-On Payment	=	New Tech Add-On Payment	+	Hospital MS-DRG Payment	=	Total	
1		2		3		4		5		6				7				8	
MS-DRG 291 HEART FAILURE AND SHOCK WITH MCC	\$43,175.00	X	0.276	=	\$11,916.30	-	\$11,085.00	=	\$831.30	x .65=	\$540.35	OR	\$1,023.75	=	\$540.35	+	\$11,085.00	=	\$11,625.35
MS-DRG 292 HEART FAILURE AND SHOCK WITH CC	\$37,442.00	X	0.276	=	\$10,333.99	-	\$8,553.00	=	\$1,780.99	x .65=	\$1,157.64	OR	\$1,023.75	=	\$1,023.75	+	\$8,553.00	=	\$9,576.75
MS-DRG 189 PULMONARY EDEMA AND RESPIRATORY FAILURE	\$39,886.00	X	0.276	=	\$11,008.54	-	\$9,479.00	=	\$1,529.54	x .65=	\$994.20	OR	\$1,023.75	=	\$994.20	+	\$9,479.00	=	\$10,473.20
MS-DRG 947 SIGNS AND SYMPTOMS WITHOUT MCC	\$61,807.00	X	0.276	=	\$17,058.73	-	\$11,256.00	=	\$5,802.73	X.65=	\$3,771.78	OR	\$1,023.75	=	\$1,023.75	+	\$11,256.00	=	\$12,279.75

# FAQs

## 1 When is the NTAP effective?

The NTAP payments for EchoGo Heart Failure go into effect for discharges on or after October 1, 2023. EchoGo Heart Failure will be eligible for NTAP payment for two years from the effective date.

## 2 How should the EchoGo® Heart Failure be billing in the hospital inpatient setting?

To bill for the EchoGo Heart Failure, simply add the ICD-10-PCS code: XXE2X19 to your claim to indicate that the device was used. Utilizing this code will prompt the Medicare Administrator Contract's claims processing system to calculate the NTAP payment.

## 3 Is there a fixed payment amount for each inpatient use?

The NTAP payment is not fixed and is calculated on a case-by-case basis. CMS has established that the highest incremental NTAP amount a hospital can obtain, in addition to the complete DRG payment, is \$1,023.75 per discharge. The specific payment for each case is variable and contingent on the overall costs of the discharge.

## 4 How is the NTAP payment calculated?

Total covered charges for the DRG × hospital-specific Cost-to-Charge ratio = the hospital's total covered costs. If the Medicare payment is less than the total covered costs, CMS will pay the lesser of either 65% of the difference between the Medicare payment and the total covered charges or \$1,023.75.

## 5 Can the NTAP amount be less than \$1,023.75?

Yes. If 65% of the difference between the hospital's total covered charges and the Medicare payment is less than \$1,023.75, then the lower amount is paid.

## 6 What are the DRGs to which cases involving EchoGo® Heart Failure are assigned?

EchoGo® Heart Failure can be used with several different MS-DRGs. The following is not an exhaustive list:

DRG	DRG Detail
291	Heart failure and shock with MCC
292	Heart failure and shock without MCC
189	Pulmonary edema and respiratory failure
204	Respiratory signs and symptoms
205	Other respiratory system diagnoses with MCC
304	Hypertension with MCC
305	Hypertension without MCC
302	Atherosclerosis with MCC
303	Atherosclerosis without MCC

## 7 How is the actual cost of the discharge determined?

CMS derives the total covered cost of the discharge based on the total covered hospital charges for each case, and the hospital's inpatient operating cost-to-charge ratio determined from its cost report.

## 8 Where can a hospital find the hospital inpatient operating cost-to-charge-ratio (CCR) used in the NTAP payment calculation?

The CY 2024 CCRs by provider number are available at: <https://www.cms.gov/medicare/acute-inpatient-pps/fy-2024-ipp-pps-final-rule-home-page#Data>. Download the FY 2024 Final Rule Impact File and search the Excel file by Medicare provider number. The CCR is listed in Column AG (Operating CCR). If you do not know your Medicare provider number, please contact us via email at [reimbursement@ultromics.com](mailto:reimbursement@ultromics.com) with the name and location of your hospital, and we can look it up for you.

## 9 What should you do if your hospital encounters issues with claims using the ICD-10-PCS code XXE2X19 (including denial)?

The best source of information regarding claims processing issues is the payer – either the patient's private insurance company or the Medicare Administrative Contractor (for traditional Medicare A/B patients). Providers should contact the appropriate payer to report the problem and seek clarification about the issue. Please also contact us at the Shockwave Reimbursement Hotline (877-273-4628) or send us an email at [reimbursement@ultromics.com](mailto:reimbursement@ultromics.com) with the details of the issue for additional support and guidance.

## 10 Can EchoGo® Heart Failure be used as a hospital outpatient procedure?

Yes, CMS has allocated payment in the hospital outpatient setting using HCPCS code C9786: Echocardiography image post-processing for computer-aided detection of heart failure with preserved ejection fraction, including interpretation and report, or just "Echo cad for hf preserved ef" for short. HCPCS code C9786 is paid through the Ambulatory Payment Classification (APC) system. APC 5743 has a national average of \$284.88, which will be wage-adjusted for each hospital provider.