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## CMS releases final 2017 Medicare Physician Fee Schedule outlining details on Medicare coverage of Diabetes Prevention Program (DPP) - November 8, 2016

### Executive Highlights

- CMS just released its finalized [2017 Physician Fee Schedule](#), including its final rule on Medicare coverage of the Diabetes Prevention Program (DPP; beginning on page 1019).
- Under the final rule, the "core" benefit will consist of 12 consecutive months of coverage, with at least 16 weekly sessions in the first six months and at least six monthly core maintenance sessions in the last six months. Following this, participants who achieve at least 5% body weight loss are eligible for coverage of additional maintenance sessions.
- The maximum total reimbursement for each beneficiary for the first year is \$450 and the maximum total reimbursement for the maintenance sessions after the first year is \$180. Payments will depend on a combination of number of sessions attended and outcomes achieved.
- No decision on reimbursement of virtual DPP program was made at this time. Enrollment of DPP providers has also been delayed to late 2017.

*In very exciting news, CMS released its finalized [2017 Physician Fee Schedule](#) yesterday, including its final rule on Medicare coverage of the Diabetes Prevention Program (DPP; beginning on page 1019). Termed Medicare DPP (MDPP), the program will be implemented in two rounds of final rulemaking: in the one released today and in a 2017 round, and reimbursement will begin in January, 2018. CMS stated that its purpose for this first round rule is to help organizations prepare for enrollment in MDPP - DPP providers must be formally enrolled in Medicare's program in order to receive reimbursement for the program. Under the final rule, the "core" benefit will consist of 12 consecutive months of coverage, with at least 16 weekly sessions in the first six months and at least six monthly core maintenance sessions in the last six months. Following this, participants who achieve at least 5% body weight loss are eligible for coverage of additional maintenance sessions. Payments per Medicare beneficiary will depend on a combination of sessions attended (\$25 for one core session and up to \$100 for nine sessions) and outcomes achieved by the beneficiary (\$160 for weight loss of 5% or more and \$185 for weight loss of at least 9%). The maximum total reimbursement for each beneficiary for the first year is \$450 and the maximum total reimbursement for the maintenance sessions after the first year is \$180.*

*We're glad to finally see so much detail on the precise reimbursement levels for MDPP, which should help various potential DPP providers determine the financial feasibility of offering the program. On the other hand, CMS declined to make a final decision on whether virtual DPP programs - such as Omada Health's and Canary Health's - would be reimbursed by Medicare. A final decision on this will be made in the second round ruling in 2017. We certainly hope that virtual DPP programs will be reimbursed to some degree, as mobile and digital technology is a great tool to help scale up DPP and offer the program to individuals who may face barriers to access for traditional in-person programs (such as living in a rural area or busy schedules that may preclude participation in programs offered a specific times). The organization also noted that it is also deferring decisions on certain policies related to program enrollment in MDPP, so it will not begin enrolling programs until the second round ruling is released in 2017. This marks a delay from the [January 2017 timeline](#) previously set out by CMS for MDPP enrollment initiation. This delay in enrollment is certainly disappointing and we hope that new DPP providers will have sufficient time to enroll in MDPP between the release of the second final rule in late 2017 and the initiation of reimbursement in January 2018 - it may be the case that the initial number of MDPP providers is quite low while the enrollment process proceeds in early 2018.*

- **The document also includes nearly 80 pages of public comments and CMS responses on the original proposed draft guidance for DPP reimbursement** - CMS shared that it received about 700 pieces of correspondence with multiple comments on the [proposed DPP reimbursement rule](#). The high number of comments is a testament to the broad support for MDPP and widespread interest in making sure that it is optimally implemented - indeed, a recurring theme at [AADE 2016](#) was a call to action urging diabetes educators to submit feedback on the proposed reimbursement rules. For more on the road to making Medicare reimbursement of DPP a reality, see our coverage of the [original decision](#) and of the [proposed draft guidance for reimbursement](#).

*-- by Helen Gao and Kelly Close*