

# Outpatient Prospective Payment System (OPPS) Proposed Rule Assigns 2026 Payment Rates for Mechanical Scalp Cooling

Paxman announces the U.S. Centers for Medicare & Medicaid Services (CMS) has published its [Medicare Outpatient Prospective Payment System \(OPPS\) Proposed Rule for Calendar Year \(CY\) 2026](#), which assigns reimbursement rates for the three new Category I Current Procedural Terminology (CPT®) codes for mechanical scalp cooling under the Hospital Outpatient Prospective Payment System (OPPS) and the Ambulatory Surgery Center (ASC) payment system.

This OPPS announcement comes on the heels of yesterday’s release of the Proposed Rule for the Medicare Physician Fee Schedule (MPFS). OPPS and MPFS are both Medicare payment systems, but they differ in their scope and application. OPPS primarily governs how Medicare pays for hospital outpatient services, while MPFS focuses on physician services, regardless of the care setting. Essentially, OPPS is for facility-based care (like in a hospital outpatient department or ambulatory surgical center), while MPFS can apply to care provided in various settings, including physician offices and hospitals such as community oncology practices.

Following a [public comment period](#) ending September 15, 2025, and any resulting revisions, the OPPS Final Rule will be published by CMS in November 2025. The new OPPS rates and corresponding CPT codes will become effective January 1, 2026.

CMS have reviewed of the procedure descriptions and believe that CPT placeholder code 9XX01 most closely describes the primary service currently described by CPT code 0662T, while CPT placeholder codes 9XX02 and 9XX03 describe ancillary services for which payment would be packaged in the primary service. Therefore, they are making two proposals. First, they propose to use the existing claims data for CPT code 0662T to set the New Technology APC assignment for CPT placeholder code 9XX01. Specifically, they propose to assign CPT placeholder code 9XX01 to APC 1517 (New Technology – Level 17 (\$1501-\$1600) with a \$1,550.50 payment rate for CY 2026. Second, they propose to assign status indicator “N” to CPT placeholder codes 9XX02 and 9XX03 to align with their current packaging policies, generally, and specifically with regard to their current packaging of CPT code 0663T.

Specific codes and descriptors will be published by the American Medical Association (AMA) in the 2026 CPT® Code Set. In this Proposed Rule CMS has assigned preliminary payment rates for mechanical scalp cooling as follows:

CPT® codes for mechanical scalp cooling and brief description	APC	OPPS CY 2026 Rates	Example: OPPS rate for 6 scalp cooling treatments	MPFS CY 2026 Rates	Example: MPFS rate for 6 scalp cooling treatments*

<b>9XX01</b>	Initial cap fitting and patient education	1517	\$1,551	\$1,551	\$1,701 per patient, per treatment cycle	\$1,701
<b>9XX02</b>	Pre-cooling period	N/A	N/A	N/A	\$10 per treatment	\$60
<b>9XX03</b>	Post-infusion cooling, per each 30 minute period	N/A	N/A	N/A	\$6 per unit, per treatment	\$144
				\$1,551 Total per patient		\$1,905 Total per patient

\*Average number of treatments per patient is six. Average post infusion cooling time is up to 120 minutes.

Richard Paxman, CEO, commented, “While we look forward to the introduction of the new CPT® codes in 2026 and the greater opportunities for reimbursement that that new coding offers, it is disappointing to see that CMS did not recognize the distinction in the work performed to administer the treatment, and has again bundled the codes into just one payment as they did with the introduction of the previous OPPS rate assignment first made in 2022. Additionally, due to limited claims data available which we have historically seen, they have decreased the payment from \$1751 in 2025 to \$1551 in 2026. We've been here before and have worked with CMS to revisit the rates and realign the payments, and we will do that again this year with the support of our customers to ensure this does not limit access.”

“This OPPS rate assignment is a counterpart to the Proposed Rule announced yesterday for the Medicare Physician Fee Schedule. With rates assigned for both care settings, Medicare recipients will now have greater access to scalp cooling. Medicare-eligible patients are currently only about 20 percent of our users, so there is plenty of opportunity for growth as we take another positive step toward our overall mission to make this treatment accessible to all.”

“We appreciate the work done by CMS in setting these rates and that of the American Medical Association in redefining the CPT codes to reflect the work done by providers. We will continue to work with CMS to ensure that providers receive fair and reasonable reimbursement for administering scalp cooling,” Paxman added.

“The rates from OPPS and MPFS set the framework for commercial payments, which are typically much higher than Medicare, and about 85 percent of our patients have commercial insurance,” said Paxman. “Payers are really the critical component now. Providers have found it to be medically necessary, the AMA has upgraded the coding, and CMS has now assigned rates. The key component remaining is for payers to make coverage determinations to give clarity and transparency to providers and patients.”

These three new Category I codes were issued by the AMA in response to increased utilization of clinically proven mechanized scalp cooling systems, such as Paxman and DigniCap, and the demonstrated work performed by healthcare professionals to educate patients and administer these treatments. Importantly, these codes are not applicable to manual cold caps or mechanical systems that are self-administered by patients.

The successful switch to Category I codes underscores the clinical value of this treatment and provides a clear pathway toward fair reimbursement of the professional work involved in administering scalp cooling.

The new reimbursement codes complement the recent favorable [Local Coverage Determination by the Palmetto Medicare Administrative Contractor](#) as well as legislative action introducing a [coverage mandate for scalp cooling in New York state](#) beginning in January 2026. Several additional states are also considering similar bills this year. These broad-reaching actions collectively aim to expand patient access to scalp cooling and improve healthcare equity for cancer patients.

In 2021, two temporary CPT® Category III Codes for mechanical scalp cooling, 0662T and 0663T, were issued by the AMA. With the issuance of the three new Category I Codes in 2026, the two current Category III codes will become invalid.

Current FDA-cleared machine-based cooling systems, like the Paxman Scalp Cooling System and the DigniCap Scalp Cooling System, are used in cancer treatment centers at over 900 locations in the United States, including 59 NCCN and NCI-designated Comprehensive Cancer Centers. Scalp cooling is also included in the NCCN Guidelines and Compendium as a Category 2A treatment option.

In May 2025, Paxman acquired Dignitana. The two companies have merged to create a new, unified group under Paxman AB. The undeniable synergistic value will enable Paxman to navigate and transform the evolving U. S. reimbursement landscape with greater agility and strength, expanding equitable patient access to the treatment.

If you would like to find out more about Paxman's Scalp Cooling System visit: [www.paxmanscalpcooling.com](http://www.paxmanscalpcooling.com)

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## About Us

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The Paxman Scalp Cooling System has been developed by the Paxman family to reduce hair loss in breast cancer patients undergoing chemotherapy. The concept behind the system came when the mother of four, Sue Paxman, experienced first-hand the trauma of chemotherapy-induced hair loss. With close to 6,000 systems delivered in to hospitals, clinics and treatment centres around the world, PAXMAN is the leading supplier of Scalp Cooling technology. PAXMAN's scalp-cooling cap is made from lightweight, biocompatible silicone that is soft and flexible, providing a snug yet comfortable fit during treatment. PAXMAN AB (publ) has its headquarters in Karlshamn (Sweden), with subsidiaries in Huddersfield (UK), Houston, Texas (US) and Toronto, Ontario (CA).

The PAXMAN share is listed on Nasdaq First North Growth Market.  
FNCA Sweden AB is the company's Certified Adviser.

## Attachments

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[Outpatient Prospective Payment System \(OPPS\) Proposed Rule Assigns 2026 Payment Rates for Mechanical Scalp Cooling](#)