

PAXMAN Announces that US Centers for Medicare and Medicaid Services (CMS) continues to support scalp cooling but decreases rate for 2024

Paxman announces today that the US Centers for Medicare & Medicaid Services (CMS) has published the [OPPS Final Rule](#), which continues to support scalp cooling but decreases the average rate from \$1850.50 to \$1250.50 under the Hospital Outpatient Prospective Payment System (OPPS) and the Ambulatory Surgery Center (ASC) payment system for Calendar Year (CY) 2024.

Although the 2024 rate is lower, the Final Rule does continue to support the consistent use of the 0662T CPT code, which is important to allow practices to bill for scalp cooling services and ensure access to scalp cooling for patients with Medicare coverage.

This action was based on claims data from 2021, which was the first year the scalp cooling CPT codes became effective. Fewer than 5 percent of the over 75 providers currently filing claims for scalp cooling were doing so in 2022. This directly supports our assertion that a larger data pool will be available to better inform accurate rate setting for CY 2025. When the CY 2024 proposed rule was published in July 2023 Dignitana and Paxman worked in collaboration to appeal the payment rate decrease, stating to CMS that the data represented only a small volume of claims that did not provide sufficient cost data to inform a change in rate setting at this time.

“We are seeing strong adoption of our new Buy And bill model amongst leading cancer centers in the U.S.” said CEO Richard Paxman. “For the last year, oncology practices have been filing claims for scalp cooling with national, regional and local health insurance companies (payers). The oncology practices are encouraged they are now receiving payment and coverage amongst the private and public payers. It is also important to understand the scalp cooling codes may be priced by the local MACs (i.e. Palmetto GBA) and may not follow the revised APC rate. We are confident in the claims data filed in 2023 will ensure a revised APC rate for 2025. We shall continue to work hard on other strategies to ensure scalp cooling is accessible for all.”

Reimbursement for scalp cooling was initiated in 2021 with the introduction of the two CPT codes, 0662T and 0663T. Since that time commercial payers have responded favorably to the new coding in claims filed by providers. A review of scalp cooling claims filed through August 2023 with code 0662T indicates that commercial plans are paying well above Medicare rates for this covered benefit. An analysis of claims filed in 2022 and 2023 by Paxman and Dignitana providers found that 71 percent of claims filed resulted in positive coverage. For commercial payers reimbursing providers for code 0662T, the range of payments is \$928 - \$4857 per patient, with an additional reimbursement under the second 0663T code of \$78 - \$1200 for each treatment. Further review shows that fewer than 15 percent of patients currently receiving scalp cooling are over 65 and would be Medicare eligible.

Contacts

Richard Paxman, CEO
Tel: +44 7968 020641
Email: richard@paxmanscalpcooling.com
www.paxman.se

About Us

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 5,000 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

[PAXMAN Announces that US Centers for Medicare and Medicaid Services \(CMS\) continues to support scalp cooling but decreases rate for 2024](#)