

PAXMAN Announces that US Centers for Medicare and Medicaid Services (CMS) continues to support scalp cooling and increases rate for 2025 beyond the initial proposed rate

Paxman announces today that the US Centers for Medicare & Medicaid Services (CMS) has published the OPPS Final Rule, which continues to support scalp cooling and increases the average rate from \$1250.50 to \$1750.50 under the Hospital Outpatient Prospective Payment System (OPPS) and the Ambulatory Surgery Center (ASC) payment system for Calendar Year (CY) 2025, higher than originally proposed.

For CY 2025, the OPPS payment rates were proposed based on available CY 2023 claims data. The Scalp Cooling service became effective in the OPPS in CY 2022, and 38 single frequency paid claims for CPT code 0662T were identified for CY 2023. Since this is below the threshold of 100 claims for a service within a year, CMS proposed to designate CPT code 0662T as a low volume service under the universal low volume APC policy and to use the highest of the geometric mean cost, arithmetic mean cost, or median cost based on up to 4 years of claims data to assign the service to the appropriate New Technology APC.

CMS determined that the geometric mean cost for CPT code 0662T was approximately \$841; the median was approximately \$1,351; and the arithmetic mean was approximately \$1,361. Therefore, for CY 2025, they proposed to designate this service as a low volume service under the universal low volume APC policy and to reassign CPT code 0662T to APC 1515 (New Technology—Level 15 (\$1301 - \$1400)) with a payment rate of \$1,350.50 for CY 2025 based on the arithmetic mean of approximately \$1,361.

Based on the updated claims data now available for this final rule, they found the geometric mean cost to be approximately \$1,110, the median to be \$1,750, and the arithmetic mean to be \$1,420. The median was the statistical methodology that estimated the highest cost for the service. The payment rate calculated using this methodology falls within the cost band for New Technology APC 1519 (New Technology - Level 19 (\$1701-\$1800)). Therefore, CPT code 0662T has been assigned to APC 1519 for CY 2025 as opposed to APC 1515 previously proposed at \$1350.50 in the CY 2025 Proposed Rule.

“Along with the exciting news in October regarding the publication by the American Medical Association (AMA) of the issuing of 3 CPT® Category I codes for mechanical scalp cooling this increased proposed rate further strengthens our position as we work towards more clear coding, coverage and payment. The strategies we put in place during 2024 are evincing positive outcomes. Although Medicare claims data remains low and payment rates still need to be higher, we are progressing in the right direction. This movement will support discussions concerning APC assignments for the 3 new CPT I codes for 2026,” said CEO Richard Paxman. “We continue to see strong adoption of the Paxman Insurance-based Billing Model by leading cancer centers in the U. S but there is more work to do. We shall continue to persevere with other strategies to ensure scalp cooling is accessible for all, meeting our company vision”

The market-leading FDA-cleared Paxman Scalp Cooling System is widely installed in NCCN and NCI-designated Comprehensive Cancer Centers across the United States, offering their cancer patients access to the global forerunner in scalp-cooling technology for preventing chemotherapy-induced alopecia. Since 2019, scalp cooling has been included as a Category 2A treatment recommendation in the [National Comprehensive Cancer Network](#)[®] (NCCN) Guidelines and Compendium.

If you would like to find out more about Paxman's Scalp Cooling System: www.paxmanscalpcooling.com

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 and increases rate for 2025 beyond the initial proposed rate](#)