

Maximizing New Technology Add-On Payments (NTAPs)

By **Beth Cobb RN, BSN, ACM, CCDS**, *Manager of Clinical Analytics at RealTime Medicare Data and Medical Management Plus Inc.*, with AI assistance on document design only.

Source: Section X New Technology + RTMD Medicare FFS paid claims

Executive Summary

Medicare's NTAP program incentivizes hospitals to adopt cutting-edge medical technologies through add-on payments. As medical innovation accelerates, NTAP is a critical driver of both hospital revenue and enhanced patient care. Unlocking these valuable payments depends on one crucial factor: accurate ICD-10-PCS coding. For hospitals, coding excellence is more than compliance—it's the gateway to capturing the full financial value of their innovation investments.

Key Takeaways

- NTAPs expire after an established time period, typically 2-3 years.
- The NTAP program is not budget neutral; it is *supplementary*.
- The add-on payment is issued only if the NTAP ICD-10-PCS code is on the claim.
- Essential stakeholders for maximizing NTAP potential include: materials management/supply chain, HIM coders, charge master coordinator, service line leaders, pharmacists, IT, case management, and CDI.

FY 2025 NTAP Program

Analysis of RealTime Medicare Data's (RTMD) proprietary claims data tells us that, based on the first seven months of FY 2025 (October 1, 2024 – April 30, 2025), if CMS estimates are accurate, hospitals are not coding all devices and drugs eligible for add-on payments that are being used.

NTAP Program

- 40 NTAPs
 - 24 Devices
 - 16 Drugs
- CMS Estimated
 - 400.5K Claims, and
 - NTAP will increase overall payment by \$769.5M.

RTMD's Nationwide Medicare FFS Paid Claims Data

- Only 24 of 40 New Technologies have been billed
 - 17 Devices
 - 7 Drugs
- RTMD Data
 - Only 10,791 Claims Billed with NTAP procedures
 - Maximum Add-On Payment for claims billed: \$119.7M

Top Five New Technologies in FY 2025

According to RTMD's claims data, the top five new technologies nationwide by volume for the first seven months of FY 2025 were:

- PulseSelect™ Pulsed Field Ablation (PFA) Loop Recorder (3.8K claims)
- Ceribell Status Epilepticus Monitor (3.1K claims)
- Aveir Dual-Chamber Leadless Pacemaker (1.07K claims)
- TriClip™ G4 System (916 claims)
- GORE® EXCLUDER® Thoracoabdominal Branch Endoprosthesis (TEMBE Device) (466 claims)

Are You Leaving Money on the Table? A TTVR Use Case:

Unlocking these valuable payments depends on one crucial factor: accurate ICD-10-PCS coding. For example, there are two coding options for Transcatheter Tricuspid Valve Replacement (TTVR):

X2RJ3RA (NTAP) and 02RJ38Z (non-NTAP)

For the first seven months of FY 2025, RTMD's claims data exposes key metrics for each of these procedure codes:

Procedure Code X2RJ3RA (NTAP)

- Claims Volume: 411
- Average Charges: \$365,295
- Average Payment: \$66,527
- Total Payment: \$27.3M

Procedure Code 02RJ38Z (non-NTAP)

- Claims Volume: 87
- Average Charges: \$337,504
- Average Payment: \$53,261
- Total Payment: \$4.6M

17% of the TTVR claims did not include the NTAP code. According to RTMD's claims data, the average payment with the NTAP code was \$13K higher per claim. However, depending on your ratio of costs-to-charges (RCC), the potential maximum add-on payment with the NTAP code is \$31.8K per claim (see FY 2026 IPPS Final Rule on pg. 37260). Did hospitals use this innovation but fail to include the NTAP code? If so, this was a missed opportunity.

Take Action:

You're missing revenue if NTAP procedure codes aren't captured.

Coordinate annually (before the October 1 CMS-FY rollover) with:

- **Materials Management/Supply Chain** — confirm which of the NTAP devices and drugs are available at your facility.
- **Charge Master Coordinator** — to assure the correct charge is assigned to the New Technology.
- **HIM Coding Professionals** — be knowledgeable about the drugs and devices eligible for NTAP.
- **Service line leaders** — confirm whether eligible devices are in use.
- **Pharmacists** — verify use of eligible add-on drugs.
- **IT** — enable EHR alerts for New Technologies to notify coding professionals.
- **Case Management/CDI** — identify and flag eligible claims.

RTMD has curated a list of all FY 2026 NTAP drugs and devices. Please see link at bottom to download this list.

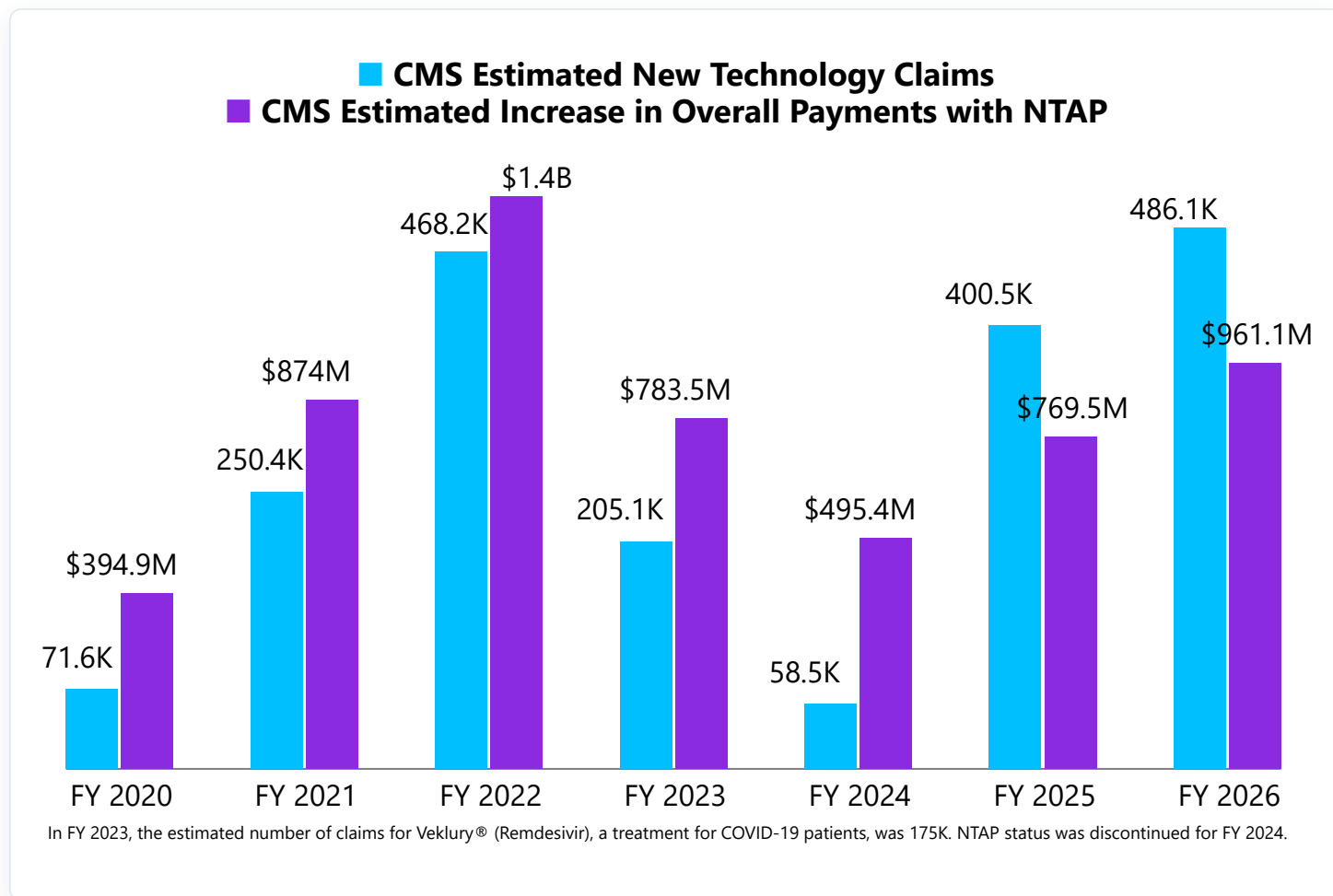
NTAP Background

CMS' 2001 final rule created a payment mechanism for new medical services and technologies, with add-on payments beginning for discharges on or after October 1, 2002. NTAPs are not budget-neutral

and apply only for a 2-3 year "newness" period after the ICD-10-PCS code for a new technology first becomes available.

Section X New Technology was added to ICD-10-PCS effective October 1, 2015. CMS has indicated that "Section X was created in response to public comments received regarding New Technology proposals presented at ICD-10 Coordination and Maintenance Committee Meetings, and general issues facing classification of new technology procedures."

Here is a historical trend of estimated NTAP claims and payments:



BETTER DATA. FORWARD THINKING.

© RTMD

◆ Medicare FFS claims data

◆ Full census

◆ 90 days post payment

◆ Inpatient, Outpatient, CMS 1500

◆ 50 states & D.C.

◆ Over 16.4 billion claims

RealTime Medicare Data, LLC

3918 Montclair Road
Suite 210 Crestbrook Plaza
Mountain Brook, AL 35213

Disclaimer: This document is for informational purposes only and does not constitute legal or medical advice. Please consult with a qualified professional for specific guidance.

rtmd.org

To download a list of drugs and devices eligible for NTAP in FY 2026, [click here](#).