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Maximizing New Technology Add-On Payments (NTAPs)

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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 2026 NTAP Program

Analysis of RealTime Medicare Data's (RTMD) proprietary claims data tells us that, based on the first seven months of FY 2026 (October 1, 2025 – April 30, 2026), once again, if CMS estimates are accurate, hospitals are not coding all devices and drugs eligible for add-on payments that are being used.

NTAP Program

- 54 NTAPs
  - 37 Devices
  - 17 Drugs
- CMS Estimated
  - 486.1K Claims, and
  - NTAP will increase overall payment by $961.1M.

RTMD's Nationwide Medicare FFS Paid Claims Data

- 47 of 54 New Technologies have been billed
  - 31 Devices
  - 16 Drugs
- RTMD Data
  - Out of 4.5M nationwide claims, 30,312 (0.7%) claims billed with NTAP procedures
  - Maximum potential Add-On Payment for claims billed: $239.2M

Top Five New Technologies in FY 2026

RTMD claims data shows the top five new technologies nationwide by volume for the first seven months of FY 2026 were:

- PulseSelect™ Pulsed Field Ablation (PFA) Loop Recorder (11.8K claims)
- Ceribell Status Epilepticus Monitor (6.3K claims)
- AGENT™ Paclitaxel-Coated Balloon Catheter (Agent DCB) (2.3K claims)
- Aveir™ Dual-Chamber Leadless Pacemaker (1.68K claims)
- Aveir™ AR Leadless Pacemaker (1.5K 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)

The TTVR device (X2RJ3RA) became eligible for NTAP October 1, 2024. The following table summarizes use of both TTVR ICD-10-PCS codes for dates of service from October 1, 2024, to April 30, 2026:

Procedure Code X2RJ3RA EVOQUE® SYSTEM (NTAP)

- Claims Volume: 1,404
- % Claims Volume: 84.3%

Procedure Code 02RJ38Z (non-NTAP)

- Claims Volume: 262
- % Claims Volume: 15.7%

- Total Payment: $91.1M
- Average Payment: $64,906

- Total Payment: $14.0M
- Average Payment: $53,383

> RTMD physician-level data revealed an example of one physician using the NTAP code in 87.5% (7 of 8) of his TTVR procedures. This high utilization rate raises the question whether the remaining case reflects a potential coding anomaly or underreporting.

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.

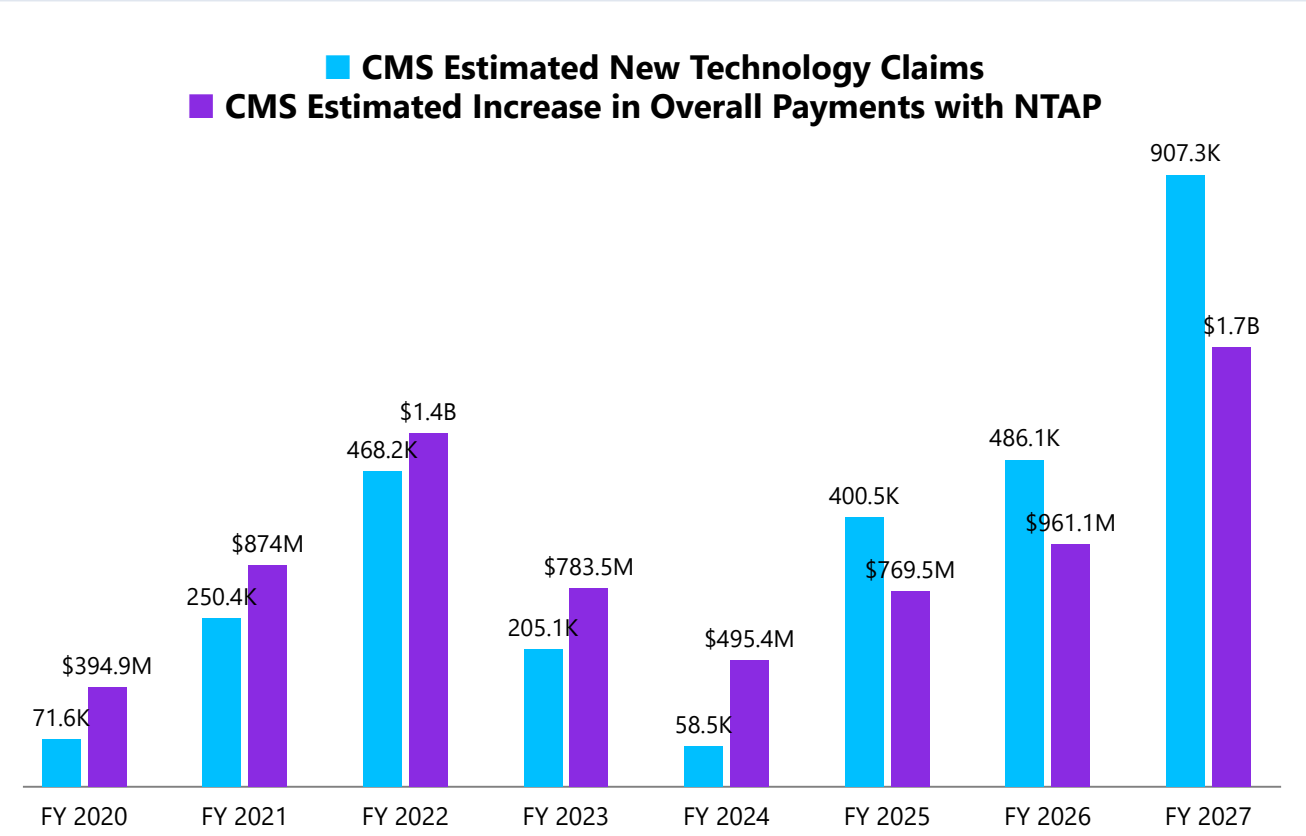
RTMD has curated a list of all FY 2027 NTAP drugs and devices. Please see link at bottom to download this list.

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:



In FY 2023, the estimated number of claims for Veklury® (Remdesivir), a treatment for COVID-19 patients, was 175K. NTAP status was discontinued for FY 2024.

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To download a list of drugs and devices eligible for NTAP in FY 2027, click here.