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Vizient Office of Public Policy and Government Relations

Medicare Program; Implementation of Prior Authorization for Select Services for the Wasteful and Inappropriate Services Reduction (WISeR) Model

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Summary

On June 25, the Centers for Medicare & Medicaid Services (CMS) provided notice of a new Innovation Center model, the Wasteful and Inappropriate Services Reduction (WISeR) Model (fact sheet available here). The WISeR Model aims to reduce fraud, waste and abuse, and encourage more clinically appropriate care by testing third party entities' enhanced technologies for the prior authorization (PA) and pre-payment review processes in Medicare fee-for-service (FFS). The WISeR Model is not nationwide but will be tested in select states (i.e., New Jersey, Ohio, Oklahoma, Texas, Arizona and Texas) and select Medicare Administrative Contractor (MAC) jurisdictions.[1]

Notably, there is no comment period associated with the WISeR Model. Companies interested in participating as model participants in WISeR can apply via a Request for Applications (RFA) until July 25, 2025. The model will run from January 1, 2026 – December 31, 2031.

Key Takeaways

The WISeR Model focuses on testing[2] PA and pre-payment review for select services in Medicare FFS with the review being performed by third party entities (model participants) leveraging enhanced technologies (e.g., artificial intelligence, machine learning, algorithmic decision logic). Model participants are companies that have experience implementing technology-enhanced PA with other payers. CMS notes that the Model does not apply to Medicare Advantage (MA) beneficiaries.

Under the Model, Medicare providers may submit a request for PA to either the MAC or model participant along with documentation to support Medicare coverage of a selected service included in the Model. Once the model participant receives the documentation, it will be reviewed and the provider will be notified of their decision within the timeframe specified by CMS.[3] While providers have the option to submit a PA request, if they do not submit a request, the claim will be subject to pre-payment medical review and this review would be done by model participants. CMS notes that for pre-payment medical review, model participants may request additional documentation to support the medical necessity of an item or service. Also, regarding review outcomes, in the RFA, CMS indicates a "human clinician with relevant clinical expertise for selected items and services must review every non-affirmation determination". Additional information regarding potential scenarios under the Model is available in the Notice (pg. 4) (e.g., provider submits a PA request to the model participant, provider submits a PA request to the MAC, provider performs a selected service but does not request PA), including information related to appeals and new billing processes. In the RFA,

[1] The selected MAC jurisdictions for WISeR are JH, JL, JF, and J15
[2] According to CMS, the WISeR Model would test: the speed and accuracy of new technology-assisted decision-making; WISeR participants' ability to help patients navigate away from low-value or potentially unsafe treatments and towards clinically appropriate higher-value care through provider/supplier education; a novel payment approach that is based on paying WISeR participants a share of averted expenses in lieu of the traditional acquisition-based approach; and potential alignment with MA in terms of standardization, predictability, and transparency.
[3] CMS does not specify the standard timeframe. Also, CMS indicates that an expedited request option will also be available when the model's standard timeframe for making a prior authorization decision could jeopardize the life or health of the beneficiary. Requests for expedited review will need to include justification for why the standard timeframe would not be appropriate. If the MAC or model participant determines that the request does not substantiate the need for an expedited review, they will provide notification that the request will not be expedited and communicate a decision within the regular timeframe.

Figure 1 (pg. 16) is a flow chart of the PA process. Based on this information, the WISeR Model may impact the frequency in which Medicare covers selected items and services and the processes providers follow when seeking coverage for those items and services.

CMS plans to implement the WISeR Model in two 3-year agreement periods, starting January 1, 2026. While the scope of items and services may broaden as the model progresses, the model is not open to comment. Beginning January 1, 2026, the products and services listed in Table 1 with their affiliated National Coverage Determinations (NCDs) or Local Coverage Determinations (LCDs) will be subject to the PA process under this model. In the RFA, CMS indicates it is "not selecting items or services that are already subject to prior authorization or pre-claim review under an existing Original Medicare program to avoid redundancy. In certain cases, the items and services chosen for this model will augment or complement existing requirements in Original Medicare."

Table 1. Items and services with affiliated NCDs or LCDs impacted by the WISeR Model

Items and Services	Affiliated NCD or LCD
Electrical Nerve Stimulators	NCD 160.7
Sacral Nerve Stimulation for Urinary Incontinence	NCD 230.18
Phrenic Nerve Stimulator	NCD 160.19
Deep Brain Stimulation for Essential Tremor and Parkinson's Disease	NCD 160.24
Vagus Nerve Stimulation	NCD 160.18
Induced Lesions of Nerve Tracts	NCD 160.1
Epidural Steroid Injections for Pain Management excluding facet joint injections	L39015, L33906, L39036, L39240, L39242, L36920, L38994, L39054
Percutaneous Vertebral Augmentation (PVA) for Vertebral Compression Fracture (VCF)	L33569, L34106, L34228, L38201, L34976, L35130, L38737, L38213
Cervical Fusion	L39741, L39799, L39770, L39758, L39762, L39793, L39773, L39788
Arthroscopic Lavage and Arthroscopic Debridement for the Osteoarthritic Knee	NCD 150.9
Hypoglossal Nerve Stimulation for Obstructive Sleep Apnea	L38276, L38307, L38398, L38387, L38310, L38312, L38385, L38528
Incontinence Control Devices	NCD 230.10
Diagnosis and Treatment of Impotence	NCD 230.4
Percutaneous Image-Guided Lumbar Decompression for Spinal Stenosis	NCD 150.13
Skin and Tissue Substitutes (LCDs below)—only applicable to MAC jurisdictions and states that have an active LCD in place	Application of Bioengineered Skin Substitutes to Lower Extremity Chronic Non-Healing Wounds (L35041) Wound Application of Cellular and/or Tissue Based Products (CTPs), Lower Extremities (L36690)

What's Next?

The WISeR Model will begin on January 1, 2026 and there is no comment period. Prior to the start of the Model and throughout its duration, CMS indicates that it will conduct outreach and education to Medicare-enrolled providers, beneficiaries and model participants. Also, CMS notes that in the future it may broaden the Model and that it is exploring implementation of "gold carding", which may exempt certain providers and suppliers from the PA and pre-payment review processes. Vizient's Office of Public Policy and Government Relations looks forward to hearing continued client feedback on the WISeR Model. We encourage you to reach out to our office if you have any questions or comments regarding any aspects of this model – both positive reactions and provisions that cause you concern. Please direct your feedback to Jenna Stern, VP, Regulatory Affairs and Public Policy in Vizient's Washington, D.C. office.