September 26, 2019

Seema Verma Administrator
Centers for Medicare & Medicaid Services (CMS)
Department of Health and Human Services
200 Independence Ave., SW
Washington, DC 20201

Re: Medicare and Medicaid Programs; Requirements for Long-Term Care Facilities: Regulatory Provisions to Promote Efficiency, and Transparency

Dear Administrator Verma,

The American Academy of PAs (AAPA), on behalf of the more than 131,000 PAs (physician assistants) throughout the United States, appreciates the opportunity to provide comments on the 2020 Hospital Outpatient Prospective Payment System (OPPS) proposed rule.

PAs practice medicine in all specialties and settings. Thirty five percent of PAs are employed by hospitals.[1] Many of the services provided by PAs are delivered in hospital outpatient settings. Consequently, PAs and the patients they serve will be greatly affected by the proposed modifications to reimbursement policies made under the OPPS. These effects will be magnified as the PA profession continues to play an increasingly important role in the healthcare delivery system. Data from the Bureau of Labor Statistics found that PAs are one of the fastest growing healthcare professions, with a projected growth rate of 31% between 2018 and 2028.[2] It is within this context that we draw your attention to
our comments.

Price Transparency

In the 2020 OPPS proposed rule, CMS makes several proposals that would enhance the transparency in pricing of items and services. AAPA appreciates CMS' commitment to transparency

[1] https://www.aapa.org/news-central/2018/08/everthing-want-know-hospital-employed-pas/?utm_source=medwatch&utm_campaign=news_central_article&utm_medium=email
[2] https://www.bls.gov/ooh/fastest-growing.htm

as we believe, if done properly, accurate, understandable, and actionable data will allow patients to engage to a greater extent in their care decisions.

CMS provides greater definition to a previously established requirement for price transparency in hospital settings. Specifically, CMS is requiring that hospitals post all "standard charges," both gross and payer-specific negotiated charges, for all items and services in a machine-readable format on their website. AAPA appreciates the requirement to post both gross charges and the charges based on negotiated rates with payers, as information on gross charges will vary in its usefulness. Much of what a patient is concerned about regarding the price of items and services is how much they will be required to pay, and this depends on a combination of factors, including insurance coverage, allowable charges, deductibles and more. As a result, including information on payer-negotiated rates is more informative. However, AAPA recommends that CMS require the disclosure of the possibility of further variability in pricing for an item or service based on other insurance or medical factors. Beneficiaries should be encouraged, when possible, to consult their insurance companies directly in order to request advance assessments of pricing. Payers may be best able to provide more personalized and accurate information surrounding coverage and out-of-pocket expenses. Beneficiaries should also be encouraged to discuss anticipated medical care with their health professional regarding the potential for any additive charges beyond standard charges that may result. These steps and safeguards will help equip patients with a better understanding of the limits of the price transparency data and provide useful information as to how they may learn more.

AAPA cautions that, even if CMS requires that informative pricing information be available online, its usefulness is blunted if beneficiaries are unaware of its existence. Consequently, we request that CMS provide guidance to hospital systems regarding opportunities to share the existence of price-transparency listings with patients, such as staff mentioning the resources at the time an appointment is made. In the proposed rule, CMS depicts the listing of charges for all items and services as useful for third parties to populate price transparency tools. However, AAPA can envision many situations in which a patient may choose to do their own research into the price of a specific item or service at a specific location by going right to the source in place of consulting a third-party website. As a result, CMS should ensure the required listing of charges be understandable and consumer-friendly to access. This would ensure transparency of this information is direct and would not require translation from a third-party entity. We acknowledge CMS wishes to require a beneficiary-facing price transparency option as well, but believe the snapshot provided by CMS' proposal does not diminish the importance of the ability of patients to access the complete price listing, should they so choose. As hospitals provide thousands of services, patients may be interested in, and should have access to, the price of those items and services outside the much smaller number that are required to be provided to patients in an understandable and comparable format.

As previously mentioned, CMS plans to require a listing of certain charges the agency envisions will help beneficiaries price shop. Specifically, CMS is requiring that hospitals make payer-specific negotiated charges public for a limited set of services CMS deems "shoppable" (that is, services that

can be scheduled in advance). CMS is requiring the display of at least 300 services, 70 selected by CMS, and 230 by the hospital/facility. AAPA recommends that CMS select its list of mandated items/services to display based on its analysis of how frequently a service is provided, as well as which items and services the agency has found to have the greatest price variation between facilities.

The reporting of these shoppable measures is required to be in a consumer-friendly format. We are pleased CMS is requiring that prices be displayed for services typically performed in conjunction with a primary service, as this would help reduce unexpected costs. We are also pleased CMS wants to ensure this information is featured prominently on facility websites, listings would clearly identify hospital locations, there be no logistical barriers to accessing the information, and the information be searchable.

CMS proposed that information displayed on these websites should be updated annually. AAPA believes the updating of price information should be required more frequently. As charges are set by a facility, the hospital would know when price changes are occurring. Consequently, price information should be updated whenever the prices are changed/updated.

AAPA has concern over the potential unintended effects of CMS' policy on pricing, even the potential for increased costs. For example, if the number of items and services hospitals are required to display for public comparison are limited, it is possible those not required to be listed may be made more expensive, with those displayed made less expensive, in an attempt to increase both competitiveness and revenue. This may cause an increase in price for items and services that are performed less frequently, which may disadvantage patients with more complex or rare diseases. We have similar concerns regarding the possibility that, in order to counteract competitive rates being publicly displayed, a hospital may increase pricing on services that are not considered "shoppable" (in advance), such as items and services for emergency care. One potential remedy to these concerns would be to link from the publicly-facing comparison tool of shoppable services to the larger required listing of item and service pricing, and requiring this be displayed in an understandable and searchable format as well.

AAPA recommends, when these price transparency listings are available, CMS release information to beneficiaries alerting them to these resources and encouraging them to use the information for comparative purposes of local care options.

Level of Supervision for Outpatient Therapeutic Services

CMS is proposing to change the minimum required level of supervision for hospital outpatient therapeutic services provided by hospitals and Critical Access Hospitals (CAH)from "direct" to "general" supervision. That is, while a physician's overall direction is still required, the physician would not need to be physically present on site during the procedure, but rather available by electronic or telephonic means.

AAPA supported CMS' proposal in the 2018 OPPS to temporarily not enforce the direct supervision requirement in CAHs and small rural hospitals and requested a permanent solution. In our comments we noted CMS had indicated there are no known quality care issues or beneficiary complaints when outpatient hospital therapeutic services were performed with general supervision, as compared to direct supervision, as CMS had previously temporarily eliminated the direct supervision requirement. AAPA continues to not be aware of any quality concerns. Consequently, AAPA is pleased to also support this proposal, which would expand and make permanent a general level of supervision for hospital outpatient therapeutic services beyond just CAHs and rural hospitals. We believe access to therapeutic services is limited by overly-restrictive supervision requirements and increased flexibility in supervisory relationships can lead to more efficient care provision.

Our position on the benefits of increasingly flexible supervisory requirements are consistent with that of the Administration. The December 2018 federal government report on healthcare competition entitled, "Reforming America's Healthcare System Through Choice and Competition," specifically recommended that "States should consider eliminating requirements for rigid collaborative practice and supervision agreements . . . that are not justified by legitimate health and safety concerns." It is essential the federal Medicare program similarly support less stringent supervisory requirements to ensure efficient care for Medicare beneficiaries.

Thank you for the opportunity to provide feedback on the Outpatient proposed rule. AAPA welcomes further discussion with CMS regarding our position and comments. For any questions you may have in regard to our comments and recommendations, please do not hesitate to contact Michael Powe, AAPA Vice President of Reimbursement & Professional Advocacy, at 571-319- 4345 or michael@aapa.org.

Sincerely,

David E. Mittman, PA, DFAAPA
President and Chair of the Board