

December 11, 2018

Ms. Seema Verma Administrator Centers for Medicare & Medicaid Services Department of Health and Human Services P.O. Box 8013 Baltimore, MD 21244-8013

CMS-1695-FC

Re: Medicare Program: Changes to Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs

Dear Administrator Verma:

The American Society of Nuclear Cardiology (ASNC) appreciates the opportunity to respond to the finalized policy changes to the Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs (OPPS) for calendar year 2019.

ASNC is a 4,500 member professional medical society, which provides a variety of continuing medical education programs related to nuclear cardiology and cardiovascular computed tomography, develops standards and guidelines for training and practice, promotes accreditation and certification within the nuclear cardiology field, and advocates for furthering research and excellence in nuclear cardiology and cardiovascular computed tomography.

As the professional society whose members are at the forefront of the delivery of cardiac imaging care to Medicare beneficiaries, ASNC appreciates CMS' consideration of comments from our members and a variety of stakeholders who work to improve patient care.

Proposal and Comment Solicitation on Method to Control for Unnecessary Increases in the Volume of Outpatient Services

CMS finalized language from the proposed rule stating differences in payment rates have "unnecessarily" shifted services away from the physician's office to the hospital outpatient department (HOPD) because of the higher payment that is made under the outpatient prospective payment system (OPPS), as compared to payment under the Physician Fee Schedule (PFS). **ASNC restates its opposition to the establishment of "site neutral" payment policies. Payment inequity between sites of service has been exacerbated by years of payment cuts** and unpredictability, which has led to major shifts in the cardiovascular practice landscape at greater cost to payers and consumers. More recently, this payment inequity has been furthered by across-the-board cuts to providers caused by sequestration and Congress' misvalued code initiative. CMS should consider the drivers of provider consolidation and promote policies that support payment adequacy by site of service.

Reimbursement payments for nuclear cardiology services have declined over the past decade leading to reimbursement rates that are unsustainable for many practices. The effect of payment cuts on nuclear cardiology have been particularly severe given that the 2010 Medicare PFS finalized a 39 percent cut in reimbursement to the two most frequently used codes in the field. This dramatic reduction in payment left cardiologists unable to sustain office-based practices and precipitated much of the hospital acquisition of private practices. Payments for services provided in the HOPD and the office should reflect the differential costs of providing care in each of these sites of service. Hospital outpatient payments for nuclear cardiology services, or other imaging services, should not be reduced to levels widely viewed as inadequate in the office setting.

For the CY 2019 OPPS, CMS intends to use its authority to apply the PFS payment rate for the clinic visit service (G0463), when billed with modifier "PO" (excepted service provided at an off-campus, outpatient provide-based department of a hospital). CMS states that capping the OPPS payment at the PFS-equivalent rate would be an "effective method" to control the volume because the payment differential that is driving the site-of-service decision will be removed. While ASNC is opposed to the concept of site neutrality, we recognize that the phase-in policy adopted in the final rule will likely lead to a significant reduction in instability.

Expansion of Services at Excepted Off-Campus Provider-Based Departments

In the proposed rule, CMS sought to address the expansion of services at excepted off-campus provider-based departments. If services from an approved clinical family were not provided during a set baseline period, these services would be paid at the PFS rate. CMS did not finalize this proposal. **ASNC agrees with this deviation from the proposed rule.**

Proposed Payment Adjustment for Radioisotopes Derived from Non- Highly Enriched Uranium Sources

ASNC has consistently supported efforts to end U.S. reliance on foreign sources of HEU and to further production of domestic sources of non-HEU. To that end, ASNC supports the finalized CMS proposal to encourage hospital reporting of HCPCPS code Q9969 which provides a \$10 add-on payment for radioisotopes produced by non-HEU sources. We are pleased to see that CMS continues to acknowledge additional costs associated with the production of non-HEU sourced uranium.

While ASNC continues to support the add-on payment, we continue to stress the need for CMS to review the adequacy of the \$10 payment in a transparent manner in order to provide Full Cost Recovery. A transparent review that engages relevant stakeholders may

ensure additional costs associated with the production of non-HEU sourced uranium are accounted for in the add-on payment, and that costs are not passed onto hospitals or patients. It is ASNC's determination that a transparent review should include the provision of data on hospital costs associated with radiopharmaceuticals reported with Q9969, as well as a detailed analysis of the decision whether to apply an annual update or supplement to the \$10 add-on payment.

In the final rule, CMS cited a 2016 report from the National Academies of Sciences, Engineering, and Medicine to support its assertion that conversion would not be complete until the end of 2019. CMS indicated it would reassess the payment policy once conversion to non-HEU sources is complete or near complete. ASNC wishes to express its disappointment that the agency intends to undertake a substantive review at this point when the policy was initiated in the CY 2013 final rule. **Moreover, ASNC urges CMS to continue the \$10 add-on payment beyond the end of 2019 since claims data traditionally trails OPPS payment.**

ASNC appreciates the opportunity to comment on the finalized CY 2019 policies in the OPPS rule. As always, ASNC welcomes any further discussion and would be pleased to answer any questions or concerns that CMS might have. Please contact Andrew McKinley, Director of Health Policy, at <u>amckinley@asnc.org</u> for additional information.

Sincerely,

Prem Soman, MD, PhD President American Society of Nuclear Cardiology