September 11, 2023

The Honorable Chiquita Brooks-LaSure

Administrator

Centers for Medicare and Medicaid Services

7500 Security Blvd.

Baltimore, MD 21244

**RE: CMS-1786-P**; Medicare Program: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems; Quality Reporting Programs; Payment for Intensive Outpatient Services in Rural Health Clinics, Federally Qualified Health Centers, and Opioid Treatment Programs; Hospital Price Transparency; Changes to Community Mental Health Centers Conditions of Participation, Proposed Changes to the Inpatient Prospective Payment System Medicare Code Editor; Rural Emergency Hospital Conditions of Participation Technical Correction.

***Submitted electronically via regulations.gov.***

Dear Administrator Brooks-LaSure,

[YOUR ORGANIZATION] is pleased to offer comments on the Centers for Medicare and Medicaid Services (CMS) proposed rule for the calendar year (CY) 2024 Medicare Hospital Outpatient Prospective Payment System. We appreciate CMS’ continued commitment to the needs of rural patients and providers, and we look forward to our continued collaboration to improve health care access throughout rural America.

[Add brief paragraph describing your organization.]

**II. Proposed Updates Affecting OPPS Payments.**

*B. Proposed Conversion Factor Update.*

[YOUR ORGANIZATION] thanks CMS for its 2.8% payment update relative to CY 2023. **We are pleased that rural hospitals across the board will see an estimated 4.4% increase.** However, we continue to be concerned about the discrepancy between Medicare payment rates and actual inflation. Compounding CMS’ underpayment, rural hospitals and health systems also face labor and supply cost pressures and workforce shortages. The projections that CMS uses for updating payment rates have recently been lower than actual inflation because historical data is used. Using historical inflation data leads to inadequate payment updates. In general, hospital inflation lags behind economy-wide inflation, so the 9 – 10% inflation rates that the country saw last summer are likely now affecting hospitals.

[Insert information about your hospital’s financial concerns, including the impact of high wage and inflation costs on your ability to provide services.]

**It is critical that CMS explores how it can accurately pay rural hospitals by accounting for inflation and historical underpayment. We urge CMS to finalize higher payment rates for CY 2024 to help sustain access to care in our rural community.**

**VII. Proposed OPPS Payment for Hospital Outpatient Visits.**

In last year’s OPPS rulemaking cycle, CMS finalized a policy to exempt provider-based departments of rural sole community hospitals from site-neutral payment policies. [YOUR ORGANIZATION] supports CMS’ proposal to continue this policy. We also ask that CMS consider exempting small rural hospitals with less than 100 beds, Medicare Dependent Hospitals, and Low-Volume Hospitals in a future rulemaking cycle. The same reasoning that led CMS to propose to exempt SCHs also applies to all small rural hospitals. Factors other than the payment differential can be attributed to the volume of services in provider-based clinics at rural hospitals.

**VIII. Payment for Partial Hospitalization and Intensive Outpatient Services.**

*B. Intensive Outpatient Program Services.*

CMS is proposing to implement the new Intensive Outpatient Program (IOP) benefit that Congress created in the Consolidated Appropriations Act (CAA) of 2023. We commend CMS for its work implementing this program as it will serve as an important gap filler for the behavioral health needs of rural beneficiaries. We are pleased to see that rural health clinics, critical access hospitals, and federally qualified health centers (FQHCs) are eligible to furnish IOP services, hopefully increasing rural uptake of this program.

[If relevant, discuss behavioral health needs at your hospital/in your community. How might IOP services benefit your patient population if offered?]

*D. Proposed Payment Rate Methodology for PHP and IOP.*

CMS proposes to pay hospital based IOPs $284 for 3 or fewer services and $368.18 for 4 or more services. RHCs would be paid at the 3 or fewer services rate of $284. [YOUR ORGANIZATION] supports CMS’ calculation of the IOP payment methodology. However, we ask that CMS apply the hospital-based IOP rate for 4-service days to RHCs to account for any variations in the cost of furnishing these services in RHCs compared to other settings and geographic areas.

[If relevant, discuss the costs and challenges associated with providing behavioral health services in RHCs. Emphasize why higher payment is needed.]

**X. Proposed Nonrecurring Policy Changes.**

*A. Supervision by Nurse Practitioners, Physician Assistants, and Clinical Nurse Specialists of Cardiac Rehabilitation (CR), Intensive Cardiac Rehabilitation (ICR), and Pulmonary Rehabilitation (PR) Services Furnished to Hospital Outpatients.*

[YOUR ORGANIZATION] thanks CMS for its policies on non-physician practitioners (NPPs) and CR, IR, and PR services. NPPs are integral to rural health care delivery and should be used to the fullest extent of their license and training. Additionally, we appreciate the extension to allow virtual presence via telehealth to meet the definition of direct supervision through 2024.

*B. Payment for Intensive Cardiac Rehabilitation Services (ICR) Provided by an Off-Campus, Non-Excepted Provider Based Department (PBD) of a Hospital.*

[YOUR ORGANIZATION] is pleased to see that CMS will pay the full OPPS rate for ICR services at non-exempted off-campus PBDs. However, in the future, we urge CMS to consider exempting all rural hospitals, not just sole community hospitals, from site neutral payment policies. [If you are affected by site neutral payment policies, discuss the impact and why rural hospitals should be exempt.]

**XVIII. Proposed Updates to Requirements for Hospitals To Make Public a List of Their Standard Charges.**

*B. Proposal To Modify the Requirements for Making Public Hospital Standard Charges at 45 CFR 180.50*

**[YOUR ORGANIZATION] has significant concerns about meeting new hospital price transparency (HPT) requirements**, including new required data elements for the machine-readable file (MRF)**.** Rural hospitals continue to struggle with dedicating staff and resources to complying with existing HPT regulations and **we oppose further additions to HPT regulations that will be burdensome for our hospital.**

[Add any concerns that you have with additional HPT requirements. Explain any difficulties that your hospital faced in complying with existing regulations.]

CMS is proposing to mandate the use of a CMS-developed template for hospitals’ machine-readable files. [YOUR ORGANIZATION] has already made strides in complying with current MRF requirements. Using a new mandated template will require extra work for our staff. We oppose this proposal and ask that CMS does not finalize this requirement.

Alternatively, **if CMS moves forward with the new data elements and template, we urge them to extend the grace period from 60 days to 120 days after the effective date of this rule**, January 1, 2024. Our hospital would appreciate the additional time to comply.

Thank you for the chance to offer comments on this proposed rule and for your consideration of our comments. If you would like additional information, please contact [YOUR NAME OR OTHER REPRESENTATIVE] at [EMAIL] and/or [PHONE NUMBER].

Sincerely,

[E-SIGNATURE]

Name

Title

Organization