Seema Verma
Administrator
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Administrator Verma:

We are writing regarding the Centers for Medicare & Medicaid Services (CMS) calendar year (CY) 2019 outpatient prospective payment system (OPPS) proposed rule. The proposed rule incorporates changes to hospital outpatient services payment rates that we are concerned may affect efforts to move to value-based care.

Specifically, the CY2019 OPPS proposed rule would implement a significant reduction in the payment of evaluation and management (E/M) services delivered at off-campus hospital outpatient departments (HOPDs), which may run contrary to actions by Congress under Section 603 of the Bipartisan Budget Act of 2015 (BBA of 2015).

CMS cites Section 1833(t)(2)(F) of the Social Security Act as the authority under which the agency proposes to make this change. This provision gives the agency ability in “controlling unnecessary increases in the volume of covered OPD services.” It is unclear how CMS has deemed all of the OPD services at the grandfathered off-campus HOPDs as cause of an unnecessary increase in volume of OPD services, and we ask that you provide clarity on this when making these payment changes. We want to ensure that the payment cuts in the proposed rule are targeting services that the agency has deemed unnecessary. It is not clear that the increase in total expenditures for such services outlined by CMS is reflective of an increase that was unnecessary, nor that the proposed payment reduction will drive a reduction in utilization moving forward.

The agency has also proposed cutting payment to 40 percent of the current HOPD rate for grandfathered off-campus HOPDs that begin to furnish a new service from a clinical facility not offered prior to November 1, 2015 which could unfairly penalize grandfathered off-campus HOPDs that expand or diversify the critical services they offer to meet the changing needs of their patients.

We share the agency’s objectives of increasing efficiency, limiting costs incurred by beneficiaries, and paying for value within the Medicare program. We will continue to serve as partners in those efforts. However, we believe that these changes should not diminish progress made in the shift to value over volume in today’s health care system. As providers enter into different, value-based payment arrangements it is important that rate changes do not undercut these arrangements – potentially diminishing provider desire to invest in these positive changes.
partners in those efforts. However, we believe that these changes should not diminish progress made in the shift to value over volume in today’s health care system. As providers enter into different, value-based payment arrangements it is important that rate changes do not undercut these arrangements – potentially diminishing provider desire to invest in these positive changes.

The facilities impacted by this rule provide care to some of the most vulnerable patient populations in difficult to serve areas. We believe it is critically important for these patients to be able to access care and services in the appropriate setting in their communities.

We appreciate your consideration of these concerns.

Sincerely,

Peter Roskam
Member of Congress

Mike Thompson
Member of Congress

Mark DeSaulnier
Member of Congress

Thomas R. Suozzi
Member of Congress

John Moolenaar
Member of Congress

Barbara Comstock
Member of Congress

Donald M. Payne
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Anna G. Eshoo
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Ann McLane Kuster
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Elise Stefanik
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Josh Gottheimer
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Doug LaMalfa
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Doris Matsui  
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Don Young  
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Peter J. Visclosky  
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Emanuel Cleaver, II  
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Al Green  
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José E. Serrano  
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Nita M. Lowey  
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Jan Schakowsky  
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Doug Lamborn  
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Sanford D. Bishop, Jr.  
Member of Congress

Luis V. Gutierrez  
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Lamar Smith  
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Kurt Schrader  
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Tom Reed  
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Frederica S. Wilson  
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Bruce Poliquin  
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James P. McGovern  
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Daniel Webster  
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Tom MacArthur  
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Paul Cook  
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Claudia Tenney  
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Grace Meng  
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Sean Patrick Maloney  
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Dan Newhouse  
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Chellie Pingree
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Adam Schiff
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Mark Pocan
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Ron Kind
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Don Bacon
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Lucille Roybal-Allard
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John Culberson
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Blaine Luetkemeyer
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Peter Welch
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Ted Deutch  
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Paul Tonko  
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Jackie Speier  
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