**Talking Points for DOTH 2019**

**Introduce yourself:** Who you are, what you do, and why cardiac and pulmonary rehabilitation (CR/PR) is important to you. Remember, members of Congress care about what their constituents say, and if an issue is important to you, it will be an important issue to them. Be sure to bring your business card.

**Issues to Present:**

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| Site Location for Cardiac & Pulmonary Rehabilitation Services | We are seeking a lead sponsor for legislative fix to correct the unintended and negative consequences of Section 603 on CR & PR services. | • Section 603 of the Bipartisan Budget Act (BBA) of 2015 mandates that any outpatient services that are new, that re-locate from an on-campus location (within 250 yards of the main hospital) to an off-campus location, or re-locate from off-campus location to a different off-campus space after 11-2-15 (date of BBA passage) are reimbursed by Medicare at the Physician Fee Schedule (PFS) rate and not the Outpatient Prospective Payment System (OPPS) rate, effective January 1, 2017.  
• The intent of Section 603 was to inhibit hospital acquisitions of certain physician practices when the purpose of that acquisition was to bill Medicare at higher hospital outpatient rates compared to the same service provided in a physician office and paid under the physician fee schedule (PFS).  
• AACVPR met with CMS shortly after enactment to explain the limitation this poses to CR and PR programs attempting to meet patient needs by expanding program capacity. CMS acknowledged the unintended consequence of this law and indicated the only option to address this is via legislation.  
• This is a dramatic reduction in payment for CR and PR, financially prohibiting any such re-location for program expansion. Current payment rate under PFS is 40% of the reimbursement rate under the hospital outpatient (OPPS) rate for the same service. |
• Share Medicare Payments five-year data grid (Moran Co) that demonstrates physicians generally do not provide CR/PR in their offices, and therefore hospitals have no incentive to purchase these physician practices.

• This restriction impacts program growth and patient participation, and therefore is an issue that programs and patients should care about greatly.

• Both US Senate and US House Members submitted letters to HHS Administrator, Seema Verma (9/28/19 and 19/18/19 respectively), expressing concerns for the negative consequences this has caused Medicare Beneficiaries. If your Congressional member signed this letter (posted on DOTH page), please be aware and emphasize that point.

• 12/4/2018: American Hospital Assn, Assn of American Medical Colleges, and 3 hospitals (in WA, MI, ME) files suit against CMS challenging aspects of Section 603. CMS made serious reductions to Medicare payment rates for certain clinic visit services provided at specified off-campus hospital provider-based departments (off-campus PBDs), whether located at excepted location or non-excepted location, commencing on January 1, 2019. The lawsuit contends that this violates the intent of Congress.

• SOLUTION: When the specialty billing the greatest amount under the physician fee schedule for any hospital outpatient service CPT/HCPCS code is under $1-2 M (exact limit TBD) for the previous year for which data are available, that specific code is exempt from the rules and regulations of Section 603 of Public Law 114-74