



# **CMS Rural Health Update**

**NOSORH Region B Meeting**

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**Lana Dennis**

**Region IV Rural Health Coordinator**

# Disclaimer

This presentation was current at the time it was given. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

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# “Better, Smarter, Healthier”

## HHS Secretary Sylvia Burwell’s 1/26/2015 Announcement

- Goals and timeline set for paying for quality of care
- Advancing a patient-centered health system
- <http://www.hhs.gov/news/press/2015pres/01/20150126a.html>

# “Better, Smarter, Healthier”

Goal to tie traditional Medicare payments to quality or value through alternative payment models

- 30 percent by the end of 2016
- 50 percent by the end of 2018

Overall goal of tying traditional Medicare payments to quality or value through programs such as the Hospital Value Based Purchasing Program and the Hospital Readmissions Reduction Programs:

- 85 percent by 2016
- 90 percent by 2018

# “Better, Smarter, Healthier”

Payments through alternative payment models:

- Today approximately 20% of Medicare payments
- \$417 million total program savings due to existing ACO programs

# “Better, Smarter, Healthier”

## Improved Quality

- 50,000 fewer patient deaths in hospitals due to avoidable harms
- 150,000 fewer preventable hospital readmissions

# “Better, Smarter, Healthier”

- Health Care Payment Learning & Action Network Fact Sheet

<http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-03-25.html>

- Registration to participate:

[innovation.cms.gov/initiatives/Health-Care-Payment-Learning-and-Action-Network/](http://innovation.cms.gov/initiatives/Health-Care-Payment-Learning-and-Action-Network/)

# “Better, Smarter, Healthier”

Medicare Shared Savings Program (MSSP)  
Accountable Care Organization (ACO) programs  
with rural focus

- Advance Payment Demonstration Program (no longer available)
- ACO Investment Model

ACO Investment Model Fact Sheet:

<http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2014-Fact-sheets-items/2014-10-15.html>



# Medicare Program Updates

## State Operations Manual Appendix W Updates (CAH Conditions of Participation)

- January 16, 2015 Letter to State Survey Agency Directors (S&C 15-19)
- June 26, 2015 Letter to State Survey Agency Directors (S&C 15-45)

# State Operations Manual

## Appendix G Updates (RHC/FQHC)

- January 30, 2015 Letter to State Survey Agency Directors (S&C 15-22)
- RHC/FQHC guidelines updated from two final rules:
  - *Regulatory Provisions To Promote Program Efficiency, Transparency, and Burden Reduction; Part II*
  - *Prospective Payment System for Federally Qualified Health Centers; Changes to Contracting Policies for Rural Health Clinics; and Changes to Clinical Laboratory Improvement Amendments of 1988 Enforcement Actions for Proficiency Testing Referral*

# State Operations Manual References

- State Operations Manual Appendix W:  
[http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/som107ap\\_w\\_cah.pdf](http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/som107ap_w_cah.pdf)
- State Operations Manual Appendix G:  
[http://cms.hhs.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/som107ap\\_g\\_rhc.pdf](http://cms.hhs.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/som107ap_g_rhc.pdf)



# Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)

- Signed into law on 4/16/2015
- “Doc Fix” repealed the SGR
- Medicare Inpatient Prospective Payment System (IPPS) fee-for-service policies extended through September 30, 2017
  - Section 204 (Low-Volume Hospital Adjustment)
  - Section 205 (Medicare-Dependent Hospital Program)

# MACRA Reference

- MLN Matters Article on Inpatient Hospital Extensions per MACRA:

<https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9197.pdf>

# FY 2016 Inpatient Prospective Payment System (IPPS) Proposed Rule

- Comment period ended 6/16/15
- Applies to approximately 3,400 acute care hospitals
- Increases IPPS payments by 0.3 %
- Proposes Medicare Disproportionate Share Hospital (DSH) Payment of \$6.4 Billion
- Revised criteria for Rural Referral Center Status
- Final rule expected on 8/1/15

# IPPS Proposed Rule References

- IPPS Proposed Rule Fact Sheet:  
<http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-04-17.html>
- IPPS Proposed Rule Home Page  
<http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2016-IPPS-Proposed-Rule-Home-Page.html>

# CY 2016 Outpatient Prospective Payment System (OPPS) Proposed Rule

- Updates OPPS rates by -0.1 percent
- Clarifies Chronic Care Management Services for hospitals
- Updates to the Two-Midnight Rule
  - Inpatient admission payable for a stay less than two midnights
  - Quality Improvement Organizations will oversee the majority of patient status audits
- Comment period ends 8/31/15



# CY 2016 OPPS Proposed Rule References

- Fact Sheet for the OPPS Proposed Rule  
<http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-07-01.html>
- Fact Sheet for Two-Midnight Rule Changes  
<http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-07-01-2.html>



# CY 2016 Physician Fee Schedule Proposed Rule

- Merit-Based Incentive Payment System (MIPS)
- Payment for Chronic Care Management services in RHCs and FQHCs
- HCPCS coding for RHC billing
- Additions to telehealth services
- Comment period ends 9/8/15
- <http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-07-08.html>



# Program Integrity

## Ambulance Prior Authorization Demonstration

- Does not change coverage requirements
- No new documentation requirements
- Information is submitted earlier in the claims process

SE1514 – Overview of the Repetitive Scheduled Non-emergent Ambulance Prior Authorization Model

<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE1514.pdf>

# Program Integrity

## Healthcare Fraud Prevention Partnership

- Voluntary
- Combats fraud, waste and abuse
- Joint benefits for partners
- <http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2015-Fact-sheets-items/2015-03-19.html>
- <https://hfpp.cms.gov/index.html>
- [ttp@mitre.org](mailto:ttp@mitre.org)

# Contact Information

CMS Region IV Rural Health Coordinator

Lana Dennis

Lana.Dennis@cms.hhs.gov

(404) 562-7379

(443) 380-5894 Fax