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Seema Verma, Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Attention: CMS-1736-P
P.O. Box 8013,
Baltimore, MD 21244-8016

Re: Medicare Program: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs; New Categories for Hospital Outpatient Department Prior Authorization Process; Clinical Laboratory Fee Schedule: Laboratory Date of Service Policy; Overall Hospital Quality Star Rating Methodology; and Physician-Owned Hospitals (85 FR 48772, August 12, 2020)

Dear Administrator Verma:

The American Psychiatric Association (APA), the national medical specialty society representing over 38,800 psychiatric physicians and their patients, would like to take this opportunity to comment on the proposed rule on the Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs. Our comments focus specifically on issues that affect the care of patients with mental health and substance use disorders (MH/SUDs).

Our country is facing an unprecedented COVID-19 crisis with the days, weeks and months ahead at best uncertain and for many crippling. We appreciate the work of CMS to reduce barriers to care throughout this crisis, especially flexibilities around the use of telehealth in all clinical settings. In March of this year the administration permitted hospitals and CMHCs to furnish certain services incident to a physician's service via telehealth to beneficiaries in other locations, including the beneficiaries home.

As the country begins to explore what the new normal will be there will continue to be an increased need for services for individuals with mental health and substance use disorders. Due to the scope and severity of the pandemic, we anticipate that mental health and SUD impacts will continue well after the public health emergency period. Telehealth expansion has enabled millions of Americans to receive much-needed mental and substance abuse care in all settings, some of them for the first time. It is also critical to ensure continuity of care. We urge CMS to ensure a smooth transition to in-person care and increase access via telehealth and telephone to necessary care. It is especially important for mental health and substance use care, where the ability to establish and maintain a strong, uninterrupted therapeutic alliance with patients is critical to effective interventions.

APA supports partial hospitalization programs (PHPs) and the important role they play in the continuum of psychiatric care. Both patients who are transitioning out of inpatient settings and patients who may otherwise be at risk of hospitalization absent the intensive care provided in PHPs, can greatly benefit from this type of care. PHPs meet the needs of patients who require comprehensive, highly structured and multimodal treatments, because their mental illness and/or substance use disorders severely interfere with multiple areas of daily life. Because of the importance of maintaining access to this option for care and the significant impact Medicare policies governing the PHP benefit can have, these proposals have important implications for psychiatric patients and their families.

Payment for Partial Hospitalization Services (Section VIII)

CMS has expressed concern that under the current methodology the APC Geometric mean per diem cost for CMHCs and hospital-based partial hospitalization programs (PHPs) would not support ongoing access to care in these settings. CMS recognizes that PHP services are better supported when the geometric mean per diem cost does not fluctuate. CMS has proposed to extend for CY 2021 and subsequent years, and use the 2020 per diem cost as the floor for care provided in CMHCs and hospital-based programs. CMS states that by establishing a floor this would prevent widespread fluctuation in per diem costs which CMS acknowledges “we do not believe that the cost of providing hospital-based [or CMHC] services would suddenly decline when costs generally increase over time.”

APA supports CMS’s proposal which would mitigate a reduction in payments for Partial Hospitalization Services. Given the payment methodology, we are particularly concerned about future years and the impact the Public Health Emergency has had on services. COVID-19 has had a significant impact on how hospital-based outpatient programs and community mental health centers provide care. Adjustments have been made to the psychiatric milieu to ensure recommended protocols are in place and in many instances, programs have had to convert to virtual care for the entirety of their patient caseload. It is unclear at this point the overall impact on services. We ask that CMS take this into account in future rule making.

APA continues to emphasize the importance of CMS being vigilant in monitoring the effects of these changes to the reimbursement rates to ensure they do not cause or contribute to any unintended consequences, particularly in reducing the number of operational PHPs, or incentivizing an otherwise unwarranted or inappropriate reduction in the number of services reimbursed in a site-neutral manner.

Thank you for your ongoing support of mental health and substance use disorder services and for the opportunity to comment. If you have any further questions or would like the opportunity to discuss our comments, please contact Rebecca Yowell, Director of Reimbursement Policy and Quality at byowell@psych.org.

Sincerely,



Saul M. Levin, M.D., M.P.A., FRCP-E, FRPsych
CEO and Medical Director
American Psychiatric Association