DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS-1593-N]

Medicare Program; Renaming and Other Changes to the Advisory Panel on Hospital Outpatient Payment Charter (formerly the Advisory Panel on Ambulatory Payment Classification Groups) and Request for Nominations

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Notice.

SUMMARY: This notice announces the name change of the Advisory Panel on Ambulatory Payment Classification Groups to the Advisory Panel on Hospital Outpatient Payment (HOP) (the Panel). In addition, it announces the renewal and amendments to the charter including changing the scope of the Panel to include supervision of outpatient hospital services, changing the Panel membership to include Critical Access Hospitals (CAH), and the solicitation of six nominations for individuals to serve on the Panel in 2012.

DATES: Submission of Nominations: We will consider nominations if they are received no later than 5 p.m. (e.s.t.), **[Insert date 30 days after the date of publication in the Federal Register].**

ADDRESSES: Please email, mail or hand deliver nominations to the following address:

Centers for Medicare & Medicaid Services;

Attn: Paula Smith, Advisory Panel on HOP;

Center for Medicare, Hospital & Ambulatory Policy Group, Division of Outpatient Care;

7500 Security Boulevard, Mail Stop C4-05-17;

Woodlawn, MD 21244-1850.

Paula.Smith@cms.hhs.gov

FOR FURTHER INFORMATION CONTACT:

For questions or other information about the Panel, submit a written request to Paula Smith at the addresses provided above or call 410-786-4709.

Advisory Committees' Information Lines: You may also refer to the CMS Federal Advisory Committee Hotlines at 1-877-449-5659 (toll-free) or 410-786-9379 (local) for additional information.

Web site: For additional information on the Panel, the revised charter and updates to the Panel's activities, please access our Web site: http://www.cms.hhs.gov/FACA/05_AdvisoryPanelonAmbulatoryPaymentClassificationGroups.asp#TopOfPage. (NOTE: There is an UNDERSCORE after FACA/05_; there is no space.)

News Media: Representatives should contact the CMS Press Office at 202-690-6145.

Copies of the Charter: Copies of the Charter are available on the Internet at: http://www.cms.gov/FACA/05_AdvisoryPanelonAmbulatoryPaymentClassificationGroups.asp#TopOfPage. (NOTE: There is an UNDERSCORE after FACA/05_; there is no space.)

SUPPLEMENTARY INFORMATION:

I. Background

The Secretary of the Department of Health and Human Services (the Secretary) is required by section 1833(t)(9)(A) of the Social Security Act (the Act) and section 222 of the Public Health Service Act (PHS Act) to consult with an expert outside advisory panel regarding the clinical integrity of the Ambulatory Payment Classification (APC) groups and relative payment weights. The Advisory Panel on Hospital Outpatient Payment (HOP) (the Panel, which

was formerly known as the Advisory Panel on Ambulatory Payment Classification Groups) is governed by the provisions of the Federal Advisory Committee Act (FACA) (Pub. L. 92-463), as amended (5 U.S.C. Appendix 2), which sets forth standards for the formation and use of advisory panels.

The Charter provides that the Panel shall meet up to 3 times annually. We consider the technical advice provided by the Panel as we prepare the proposed and final rules to update the outpatient prospective payment system (OPPS) for the next calendar year.

The Panel shall consist of a chair and up to 19 members (previously 15) who are full-time employees of hospitals, hospital systems, or other Medicare providers. For purposes of the Panel, consultants or independent contractors are not considered to be full-time employees in these organizations.

The current Panel consists of the following members: (The asterisk [*] indicates the Panel member whose term will end on February 29, 2012.)

- E. L. Hambrick, M.D., J.D., Chair, a CMS Medical Officer.
- Ruth L. Bush, M.D., M.P.H.
- Kari S. Cornicelli, C.P.A., FHFMA.
- Dawn L. Francis, M.D., M.H.S.
- Kathleen Graham, R.N., M.S.H.A.*
- David A. Halsey, M.D.
- Brian D. Kavanagh, M.D., M.P.H.
- Judith T. Kelly, B.S.H.A., RHIT, RHIA, CCS.
- Scott Manaker, M.D., Ph.D.

- John Marshall, CRA, RCC, CIRCC, RT(R), FAHRA.
- Randall A. Oyer, M.D.
- Jacqueline Phillips.
- Daniel J. Pothen, M.S., RHIA, CHPS, CPHIMS, CCS, CCS-P, CHC.
- Gregory J. Przbylski, M.D.
- Marianna V. Spanaki-Varela, M.D., Ph.D., M.B.A.

Panel members serve without compensation, according to an advance written agreement. For the meetings, we reimburse travel, meals, lodging, and related expenses in accordance with standard Government travel regulations. We have a special interest in attempting to ensure, while taking into account the nominee pool, that the Panel is diverse in all respects of the following: geography, rural or urban practice, points of view, medical or technical specialty, type of hospital, hospital health system, or other Medicare provider.

Based upon either self-nominations or nominations submitted by providers or interested organizations, the Secretary, or her designee, appoints new members to the Panel from among those candidates determined to have the required expertise. New appointments are made in a manner that ensures a balanced membership under the FACA guidelines.

The Secretary signed the original charter establishing the Panel on November 21, 2000, and approved the renewal, renaming, and amendment of the Panel charter on November 15, 2011. The charter will terminate on November 15, 2013, unless renewed or amended by appropriate actions.

II. Criteria for Nominees

The Panel must be fairly balanced in its membership in terms of the points of view

represented and the functions to be performed. The Panel shall consist of up to 19 total members (previously 15) representing providers. The Secretary or the Administrator of the Centers for Medicare & Medicaid Services (the Administrator) selects the member based upon their technical expertise in hospital payment systems; hospital medical care delivery systems; provider billing and accounting systems; APC grouping; Current Procedural Terminology codes and Healthcare Common Procedure Coding System coding experts; the use of, and payment for, drugs and medical devices, and other services in the hospital outpatient setting; and other forms of relevant expertise. For supervision deliberations, the Panel shall have members that represent the interests of Critical Access Hospitals (CAHs), who advise CMS only regarding the level of supervision for hospital outpatient services.

All members shall have a minimum of 5 years experience in their areas of expertise, but it is not necessary that any member be an expert in all of the areas listed above. Panel members are full-time employees of hospitals, hospital systems, or other Medicare providers.

For purposes of this Panel, consultants or independent contractors are not considered to be representatives of providers. All members shall serve on a voluntary basis, without compensation, pursuant to advance written agreement. Members of the Panel shall be entitled to receive reimbursement for travel expenses and per diem in lieu of subsistence, in accordance with standard government travel regulations. Panel members may serve for up to 4-year terms. A member may serve after the expiration of his or her term until a successor has been sworn in.

Any interested person or organization may nominate one or more qualified individuals. Self-nominations will also be accepted. Each nomination must include the following:

- Letter of Nomination stating the reasons why the nominee should be considered,

- Curriculum Vita or resume of the nominee,
- Written and signed statement from the nominee that the nominee is willing to serve on the Panel under the conditions described in this notice and further specified in the Charter, and
- The hospital or hospital system name and address, or CAH name and address, as well as all Medicare hospital and or Medicare CAH billing numbers of the facility where the nominee is employed.

III. Provisions of the Notice

A. Renaming, Renewal, and Amendment of the Charter

Over the last decade, the role of the Panel in assisting CMS in decisions about the clinical integrity of the APC groups and their associated weights, which are major elements of the OPPS, has led to the overall improved functioning of the OPPS.

As previously stated, this notice renames the Advisory Panel on APC Groups (APC Panel), which is now called the Advisory Panel on Hospital Outpatient Payment (HOP Panel) and referred to as "the Panel." The Panel advises the Secretary and Administrator on developing and implementing national practices that support consistent implementation of supervision for hospital outpatient services by determining the appropriate supervision level for hospital outpatient services, in addition to its current role of advising on clinical integrity of the APC groups and their associated weights.

B. Increasing the Panel Membership from 15 to 19 Members

We are also increasing the number of members on the Panel from 15 to 19, some of which will represent CAHs for the deliberation of supervision of outpatient hospital services.

C. Changing the Scope of the Panel to Include Supervision

The Panel may advise the Secretary and the Administrator on the following:

- The clinical integrity of the APC groups and their associated weights, which are major elements of the OPPS; and
- The appropriate supervision level for hospital outpatient services. With respect to supervision, the Panel may recommend a supervision level (general, direct, or personal) to ensure an appropriate level of quality and safety for delivery of a given service, as described by a Healthcare Common Procedure Code System (HCPCS) code.

D. Description of Duties of Panel Members

The Panel is technical in nature, and may consider the following issues:

- Addressing whether procedures within an APC group are similar both clinically and in terms of resource use.
- Reconfiguring APCs (for example, separating a single APC into two APCs, moving HCPCS codes from one APC to another, and moving HCPCS codes from new technology APCs to clinical APCs).
- Evaluating APC group weights.
- Reviewing packaging the cost of items and services, including drugs and devices, into procedures and services, including the methodology for packaging and the impact of packaging the cost of those items and services on APC group structure and payment.
- Removing procedures from the inpatient list for payment under the OPPS.
- Using claims and cost report data for CMS determination of APC group costs.
- Addressing other technical issues concerning APC group structure.

- Evaluating the required level of supervision for hospital outpatient services.

The subject matter before the Panel shall be limited to these and related topics. Unrelated topics are not subjects for discussion. Unrelated topics include, but are not limited to, the conversion factor, charge compression, revisions to the cost report, pass-through payments, correct code usage, new technology applications (including supporting information/documentation), provider payment adjustments, and which types of practitioners are permitted to supervise hospital outpatient services.

E. Requests for Nominations

We are soliciting six nominees to add to the Panel. With this expansion, we are particularly interested in adding representatives who have experience in working with issues related to CAHs and rural hospitals.

IV. Collection of Information Requirements

This document does not impose information collection and recordkeeping requirements. Consequently, it need not be reviewed by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 35).

CMS-1593-N

(Catalog of Federal Domestic Assistance Program; No. 93.773 Medicare--Hospital Insurance Program; and No. 93.774, Medicare--Supplementary Medical Insurance Program)

Dated: November 17, 2011

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Donald M. Berwick,

Administrator,

Centers for Medicare & Medicaid Services.

BILLING CODE: 4120-01-P

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