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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS-1681-N]

Medicare Program; Renewal of the Advisory Panel on Hospital Outpatient Payment And Solicitation of Nominations to the Advisory Panel on Hospital Outpatient Payment

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

ACTION: Notice.

SUMMARY: This notice announces the renewal of the Advisory Panel (the Panel) on Hospital Outpatient Payment (HOP) panel charter. The charter was approved on November 21, 2016 for a 2-year period effective through November 21, 2018. This notice also solicits nominations for up to two new members to the HOP Panel. There will be two vacancies on the Panel for 4-year terms that begin during Calendar Year (CY) 2017.

The purpose of the Panel is to advise the Secretary of the Department of Health and Human Services (DHHS) (the Secretary) and the Administrator of the Centers for Medicare & Medicaid Services (CMS) (the Administrator) on the clinical integrity of the Ambulatory Payment Classification (APC) groups and their associated weights, and supervision of hospital outpatient therapeutic services.

DATES: Submission of Nominations: We will consider nominations if they are received no later than 5 p.m. Eastern Standard Time (E.S.T) [**OFR INSERT 60 DAYS AFTER THE DATE OF PUBLICATION IN THE FEDERAL REGISTER**].

ADDRESSES: Please submit nominations electronically to the following email address:
APCPanel@cms.hhs.gov.

Web site: For additional information on the Panel and updates to the Panel's activities, we refer readers to our Web site at the following address:

<http://www.cms.gov/Regulations-and-Guidance/Guidance/FACA/AdvisoryPanelonAmbulatoryPaymentClassificationGroups.html>.

FOR FURTHER INFORMATION CONTACT:

Persons wishing to nominate individuals to serve on the Panel or to obtain further information may submit an email to the following e-mail address:

APCPanel@cms.hhs.gov.

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

SUPPLEMENTARY INFORMATION:

I. Background

The Secretary of the Department of Health and Human Services (DHHS) (the Secretary) is required by section 1833(t)(9)(A) of the Social Security Act (the Act), and allowed by section 222 of the Public Health Service Act (PHS Act) to consult with an expert outside panel, that is, the Advisory Panel on Hospital Outpatient Payment (the Panel) regarding the clinical integrity of the Ambulatory Payment Classification (APC) groups and relative payment weights that are components of the Medicare Hospital Outpatient Prospective Payment System (OPPS), and the appropriate supervision level for hospital outpatient therapeutic services. The Panel 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 Panel may consider data collected or developed by entities and organizations (other than the DHHS) as part of their deliberations.

The Panel Charter provides that the Panel shall meet up to 3 times annually. As announced in the notice, published in the **Federal Register** on May 20, 2016, entitled “Medicare Program; Announcement of the Advisory Panel on Hospital Outpatient Payment (the Panel) Meeting on August 22-23, 2016 and Announcement of Transition to One Meeting of the Panel Per Year” (81 FR 31942), in Calendar Year (CY) 2017 and thereafter, (unless the Centers for Medicare & Medicaid (CMS) programmatic need suggests otherwise) there will be only one Panel meeting per year that will occur in the summer. We consider the technical advice provided by the Panel as we prepare the proposed and final rules to update the OPPTS for the following CY.

II. Renewal of the Hospital Outpatient Payment (HOP) Panel

The Panel was originally chartered on November 21, 2000 and the Panel requires a recharter every 2 years. In the April 24, 2015 **Federal Register** notice, (80 FR 23009), we inadvertently stated that the charter renewal was approved on November 6, 2014 for a 2-year period ending November 6, 2016, the correct approval date was November 21, 2014 for a 2-year period effective through November 21, 2016.

This notice announces the renewal of the HOP Panel charter, which was approved on November 21, 2016 for a 2-year period effective through November 21, 2018. The charter will terminate on November 21, 2018, unless renewed by appropriate action. CMS intends to recharter the Panel for another 2-year period prior to the expiration of the current charter.

Pursuant to the renewed charter, the Panel will advise the Secretary and CMS concerning optimal strategies for the following:

- Addressing whether procedures within an APC group are similar both clinically and in terms of resource use.
- Reconfiguring APCs (for example, splitting of APCs, moving Healthcare Common Procedures Coding System (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 payment system.
- 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.

III. Solicitation of Nominations; Criteria for Nominees

The Panel shall consist of a chair and up to 15 members who are full-time employees of hospitals, hospital systems, or other Medicare providers that are subject to the OPPS. For supervision deliberations, the Panel shall also include members that represent the interests of Critical Access Hospitals (CAHs), who advise CMS only

regarding the level of supervision for hospital outpatient therapeutic services. (For purposes of the Panel, consultants or independent contractors are not considered to be full-time employees in these organizations.)

The current Panel members are as follows:

(Note: The asterisk [*] indicates the Panel members whose terms end during CY 2017, along with the month that the term ends.)

- E. L. Hambrick, M.D., J.D., Chair, a CMS Medical Officer.
- Shelly Dunham, R.N.
- Kenneth M. Flowe, M.D., M.B.A.
- Dawn L. Francis, M.D., M.H.S.
- Erika Hardy, R.H.I.A.
- Karen Lambert
- Ruth Lande
- Scott Manaker, M.D., Ph.D
- Agatha Nolen, Ph.D., D.Ph
- Rick Nordahl, M.B.A.
- Johnathan Pregler, M.D.
- Michael Rabovsky, M.D. *(January 2017)
- Wendy Resnick, F.H.F.M.A.
- Michael K. Schroyer, R.N.
- Norman Thomson, III, M.D.
- Kris Zimmer *(January 2017)

Panel members serve on a voluntary basis, without compensation, according to an advance written agreement; however, for the meetings, CMS reimburses travel, meals, lodging, and related expenses in accordance with standard Government travel regulations. CMS has a special interest in ensuring, while taking into account the nominee pool, that the Panel is diverse in all respects of the following: geography; rural or urban practice; race, ethnicity, sex, and disability; medical or technical specialty; and type of hospital, hospital health system, or other Medicare provider subject to the OPPS.

Based upon either self-nominations or nominations submitted by providers or interested organizations, the Secretary, or his 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. For 2017, we are soliciting for up to two new nominees. Our appointment schedule will assure that we have the full complement of members for each Panel meeting.

The Panel must be balanced in its membership in terms of the points of view represented and the functions to be performed. Each panel member must be employed full-time by a hospital, hospital system, or other Medicare provider subject to payment under the OPPS (except for the CAH members, since CAHs are not paid under the OPPS). All members must have technical expertise to enable them to participate fully in the Panel's work. Such expertise encompasses hospital payment systems; hospital medical care delivery systems; provider billing systems; APC groups; Current Procedural Terminology codes; and alpha-numeric Health Care Common Procedure Coding System codes; and the use of, and payment for, drugs, medical devices, and other services in the

outpatient setting, as well as other forms of relevant expertise. For supervision deliberations, the Panel shall have members that represent the interests of CAHs, who advise CMS only regarding the level of supervision for hospital outpatient therapeutic services.

It is not necessary for a nominee to possess expertise in all of the areas listed, but each must have a minimum of 5 years of experience and currently have full-time employment in his or her area of expertise. Generally, members of the Panel serve overlapping terms up to 4 years, based on the needs of the Panel and contingent upon the rechartering of the Panel. 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 vitae or resume of the nominee that includes an email address where the nominee can be contacted.
- 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.
- 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.

IV. Copies of the Charter

To obtain a copy of the Panel's Charter, we refer readers to our Web site at <http://www.cms.gov/Regulations-and-Guidance/Guidance/FACA/AdvisoryPanelonAmbulatoryPaymentClassificationGroups.html>.

V. Collection of Information Requirements

This document does not impose information collection requirements, that is, reporting, recordkeeping or third-party disclosure requirements. Consequently, there is no need for review by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.).

CMS-1681-N

Dated: December 13, 2016

Andrew M. Slavitt,
Acting Administrator,
Centers for Medicare & Medicaid Services.

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