CMS Updates 8.24.21

COVID-19:

Booster: On Aug 18th, the Biden-Harris Administration announced additional steps for the COVID-19 vaccination. Public health and medical experts from the U.S. Department of Health and Human Services (HHS) announced a plan for administering booster shots later this fall, pending final Food and Drug Administration (FDA) evaluation and recommendations from the Centers for Disease Control and Prevention's (CDC's) Advisory Committee on Immunization Practices (ACIP). Under this plan, a booster would be administered, eight months after an individual's second dose, beginning the week of September 20—at which point those individuals who were fully vaccinated earliest in the vaccination rollout will be eligible, including many health care providers, nursing home residents, and other seniors.

FDA grants Full Approval to the Pfizer Covid-19 vaccine. The vaccine was approved for people 16 and up, making it the first to move beyond emergency use status in the US. https://www.fda.gov/news-events/press-announcements/fda-approves-first-covid-19-vaccine

Payment: CMS announced August 24th that healthcare providers can now receive additional payments for administering COVID-19 vaccines to multiple residents in one home setting or communal setting of a home. Medicare previously increased the total payment amount for at-home vaccination from approximately $40 to approximately $75 per vaccine dose, in certain circumstances. CMS aims to further boost the administration of COVID-19 vaccines – including second and third doses – in smaller group homes, assisted living facilities, and other group living situations by allowing providers to receive the increased payment up to five times when fewer than ten Medicare beneficiaries get the vaccine on the same day in the same home or communal setting. This policy will help ensure that at-risk patients in smaller settings have the same opportunities as others to receive the vaccination.

Immunocompromised: In response to the Food and Drug Administration's (FDA) and the Centers for Disease Control and Prevention's (CDC) recent actions that authorize an additional dose of COVID-19 vaccine for immunocompromised individuals, the Centers for Medicare & Medicaid Services (CMS) is assuring those enrolled in Medicaid, the Children's Health Insurance Program (CHIP) and most group health plans and health insurance coverage who qualify for this additional dose that they can receive it for free. https://www.cms.gov/newsroom/news-alert/people-medicare-who-are-immunocompromised-would-be-able-receive-additional-covid-19-dose-no-cost

Medicaid: State Medicaid and Children's Health Insurance Program (CHIP) agencies must cover COVID-19 vaccine administration with no cost sharing for nearly all enrollees during the COVID-19 public health emergency (PHE) and for over a year after it ends. This coverage would also include the administration of an additional vaccine dose for those who are immunocompromised. CMS is providing information and resources to states on coverage of COVID-19 vaccine administration with no cost sharing for enrollees who are immunocompromised.

Private Insurance: The COVID-19 vaccine is free for people enrolled in most private health plans. The COVID-19 vaccines and the administration are covered without cost sharing for most

enrollees, and such coverage must be provided both in-network and out-of-network during the Public Health Emergency. Current regulations provide that out-of-network rates for COVID-19 vaccine administration must be reasonable as compared to prevailing market rates, and the rules reference using the Medicare payment rates as a potential guideline for insurance companies. When individuals get a COVID-19 vaccine, their health care practitioner cannot charge them for an office visit or other fee if the vaccine is the only medical service provided as part of the visit. If individuals get other medical services at the same time they get the COVID-19 vaccine, they may owe a copayment or deductible for those services.

Requiring COVID-19 Vaccinations for Long-Term Care Workers Who Serve Medicare and Medicaid Enrollees: President Biden recently announced that HHS will develop new regulations requiring nursing homes to require that all of their workers be fully vaccinated against COVID-19 as a condition of participating in the Medicare and Medicaid programs. Some states have already taken similar steps to protect nursing home residents, and this action will ensure consistent and equitable standards across the country. These new regulations would apply to nearly 15,000 nursing home facilities, which employ approximately 1.6 million workers and serve approximately 1.3 million nursing home residents.
https://www.cms.gov/newsroom/press-releases/biden-harris-administration-takes-additional-action-protect-americas-nursing-home-residents-covid-19

Reimbursement: President Biden extended **100% federal reimbursement** to states for eligible COVID-19 emergency response costs —including emergency medical care, non-congregate sheltering and vaccination operations—through December 31, 2021. This extends the previous order directing (FEMA) to fully reimburse states for emergency response costs associated with COVID-19 from January 2020 to September 30, 2021. The extension, which was ordered last week, also allows states to receive retroactive 100 percent federal reimbursement for costs associated with the safe opening and operation of facilities, such as schools, health care facilities, and child care facilities—dating back to the start of the pandemic in January 2020.

Medicare Advantage: An HPMS memo was released on Aug 20th encouraging all Medicare Advantage Organizations (MAOs) to waive or relax plan prior authorization requirements and utilization management processes to facilitate the movement of patients from general acute-care hospitals to post-acute care and other clinically-appropriate settings, including skilled nursing facilities, long-term care hospitals, inpatient rehabilitation facilities, and home health agencies. The ability of hospitals to transfer patients to appropriate levels of care without unnecessary delays or administrative burdens is critical to ensuring that hospitals have open acute-care beds to treat patients requiring emergent care.

CMS Physician Fee Schedule (PFS) proposed rule, released July 13, is recommending steps that continue the commitment to strengthen and build upon Medicare by promoting health equity; expanding access to services furnished via telehealth and other telecommunications technologies for behavioral health care; enhancing diabetes prevention programs; and further improving CMS's quality programs to ensure quality care for Medicare beneficiaries and to create equal opportunities for physicians in both small and large clinical practices.

CY 2022 Medicare Physician Fee Schedule Proposed Rule (CMS-1751-P)

- Press Release: https://www.cms.gov/newsroom/press-releases/cms-proposes-physician-payment-rule-improve-health-equity-patient-access

- For a fact sheet on the CY 2022 Physician Fee Schedule proposed rule, please visit: https://www.cms.gov/newsroom/fact-sheets/calendar-year-cy-2022-medicare-physician-fee-schedule-proposed-rule
- For a fact sheet on the CY 2022 Quality Payment Program proposed changes, please visit: https://qpp-cm-prod-content.s3.amazonaws.com/uploads/1517/2022%20QPP%20Proposed%20Rule%20Overview%20Fact%20Sheet.pdf
- For a fact sheet on the proposed Medicare Diabetes Prevention Program changes, please visit: https://www.cms.gov/newsroom/fact-sheets/proposed-policies-medicare-diabetes-prevention-program-mdpp-expanded-model-calendar-year-2022

- **View and comment on the proposed rule, if desired, by 09/13:** https://www.federalregister.gov/documents/2021/07/23/2021-14973/medicare-program-cy-2022-payment-policies-under-the-physician-fee-schedule-and-other-changes-to-part

CY 2022 Medicare Outpatient Prospective Payment System (OPPS) Proposed Rule released July 19, the Centers for Medicare & Medicaid Services (CMS) is proposing actions to address the health equity gap, ensure consumers have the information they need to make fully informed decisions regarding their health care, improve emergency care access in rural communities, and use lessons learned from the COVID-19 pandemic to inform patient care and quality measurements.

CY 2022 Medicare Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) Payment System Proposed Rule (CMS-1753-P)

- Press Release: https://www.cms.gov/newsroom/press-releases/cms-proposes-rule-increase-price-transparency-access-care-safety-health-equity
- For a fact sheet on the Calendar Year (CY) 2022 OPPS/ASC Payment System proposed rule (CMS-1753-P), please visit: https://www.cms.gov/newsroom/fact-sheets/cy-2022-medicare-hospital-outpatient-prospective-payment-system-and-ambulatory-surgical-center

- **View and comment on the proposed rule, if desired, by 09/17:** https://www.federalregister.gov/documents/2021/08/04/2021-15496/medicare-program-hospital-outpatient-prospective-payment-and-ambulatory-surgical-center-payment

FY2022 Medicare Inpatient Prospective Payment System (IPPS): https://www.cms.gov/newsroom/fact-sheets/fiscal-year-fy-2022-medicare-hospital-inpatient-prospective-payment-system-ipps-and-long-term-care-0

On August 2nd, CMS issued the final rule for FY2022 Medicare Inpatient Prospective Payment System and Long-term care hospital prospective payment system. The final rule updates the Medicare payment policies and rates for operating and capital-related costs of acute care hospitals and for certain hospitals and hospital units excluded from IPPS for FY 2022.

The Policies in the IPPS and LTCH PPS final rule seek to close health care equity gaps and support access to life-saving diagnostics and therapies during the covid-19 public health emergency and beyond.

These provisions seek to sustain hospital readiness to respond to future public health threats, enhance the healthcare workforce in rural and underserved communities, and revise scoring, payment, and

public quality data reporting methods to lessen the adverse impacts of the pandemic and further unplanned events.

The final rule updates Medicare fee for service payment rates and policies for inpatient hospitals and long-term care hospitals FY 2022.

Fiscal Year (FY) 2022 Skilled Nursing Facilities (SNFs) Prospective Payment System (PPS) Final Rule

On July 29, CMS issued a final rule updating Medicare payment policies and rates for Skilled Nursing Facilities (SNFs) under the SNF Prospective Payment System (PPS) for Fiscal Year (FY) 2022. In addition, the final rule includes several policies that update the SNF Quality Reporting Program and the SNF Value-Based Program (VBP) for FY 2022. These are effective October 1, 2021.

- CMS Newsroom Fact Sheet – SNF PPS: https://www.cms.gov/newsroom/fact-sheets/fiscal-year-fy-2022-skilled-nursing-facility-snf-prospective-payment-system-pps-final-rule-cms-1746
- Final Rule – SNF: https://public-inspection.federalregister.gov/2021-16309.pdf

Fiscal Year (FY) 2022 Inpatient Rehabilitation Facility (IRF) Prospective Payment System (PPS) Final Rule

On July 29, 2021, (CMS) issued a final rule that will update Medicare payment policies and rates for facilities under the Inpatient Rehabilitation Facility (IRF) Prospective Payment System (PPS) and finalize policies under the IRF Quality Reporting Program (QRP) for fiscal year (FY) 2022. FY 2022 IRF PPS payment rates and policies will be effective on October 1, 2021.

In addition, CMS is finalizing a Medicare Durable Medical Equipment Prosthetics, Orthotics, and Supplies (DMEPOS) payment provision adopted in an interim final rule with comment period (IFC) issued on May 11, 2018, as well as a provision that was included in a DMEPOS proposed rule published in the Federal Register on November 4, 2020.

- The factsheet is available here: https://www.cms.gov/newsroom/fact-sheets/fiscal-year-fy-2022-inpatient-rehabilitation-facility-irf-prospective-payment-system-pps-final-rule
- The FY 2022 IRF PPS final rule can be downloaded from the Federal Register here: https://www.federalregister.gov/public-inspection/current

Fiscal Year (FY) 2022 Inpatient Psychiatric Facility (IPF) Prospective Payment System (PPS) Final Rule (CMS-1750-F)

On July 29, 2021, the Centers for Medicare & Medicaid Services (CMS) issued a final rule that updates Medicare payment policies and rates for the Inpatient Psychiatric Facility (IPF) Prospective Payment System (PPS) for Fiscal Year (FY) 2022 and finalizes changes to the IPF Quality Reporting Program (QRP). CMS is publishing this final rule consistent with the requirements to update Medicare payment.

- The factsheet is available here: https://www.cms.gov/newsroom/fact-sheets/fiscal-year-fy-2022-inpatient-psychiatric-facility-ipf-prospective-payment-system-pps-final-rule-cms
- The FY 2022 IPF PPS rule can be downloaded from the Federal Register here: https://www.federalregister.gov/public-inspection/current

Fiscal Year (FY) 2022 Hospice Prospective Payment System (PPS) Final Rule

Also, on July 29, CMS issued a final rule that updates Medicare hospice payments and the aggregate cap amount for Fiscal Year (FY) 2022 in accordance with existing statutory and regulatory requirements. This rule rebases the hospice labor shares and clarifies certain aspects of the hospice election statement addendum requirements. In addition, this rule finalizes changes to the Hospice conditions of participation and Hospice Quality Reporting Program (HQRP). The final rule also finalizes a Home Health

Quality Reporting Program policy that becomes effective on October 1, 2021, to prepare for public reporting beginning in January 2022.

- The factsheet is available here: https://www.cms.gov/newsroom/fact-sheets/fiscal-year-fy-2022-hospice-payment-rate-update-final-rule-cms-1754-f
- The FY 2022 PPS rule can be downloaded from the Federal Register here: https://public-inspection.federalregister.gov/2021-16311.pdf