

September 9, 2024

The Honorable Chiquita Brooks-LaSure Administrator Centers for Medicare & Medicaid Services Department of Health and Human Services PO Box 8016 Baltimore, MD 21244

Re: Medicare Hospital Outpatient Prospective Payment System (OPPS) and Medicare **Ambulatory Surgical Center (ASC) Payment System for CY25**

Dear Administrator Brooks-LaSure,

On behalf of the American Academy of Family Physicians (AAFP), representing more than 130,000 family physicians and medical students across the country, I write in response to the proposed rule with comment period on the Centers for Medicare and Medicaid Services (CMS) Hospital Outpatient Prospective Payment System (OPPS) for calendar year 2025, published on July 22, 2024, in the Federal Register.

Continuous Eligibility in Medicaid and CHIP

CMS proposes to codify the requirement within the Consolidated Appropriations Act. 2023 (CAA, 2023) to require States to provide 12 months of continuous eligibility to children under the age of 19 in Medicaid and the Children's Health Insurance Program (CHIP), as well as remove the option to provide continuous eligibility to a subgroup of enrollees for less than 12 months. CMS also proposes to remove the option to disenroll children in CHIP during continuous eligibility for unpaid premiums. The AAFP strongly supports the proposals and applauds CMS for taking action to address the concerning trend of inappropriate and unexpected loss of coverage during the unwinding period.

Medicaid is the single largest health care payer in the United States, and Medicaid and CHIP combined cover almost 89 million individuals, providing affordable access to comprehensive, essential health care services to low-income families across the country. Medicaid and CHIP play an important role in the safety net, providing coverage for vulnerable and underserved populations, including children, pregnant women, and people with disabilities. For many individuals with Medicaid and CHIP, family physicians are a first and regular point of contact with the health care system, providing care across the enrollee's lifespan and building long-lasting, trusting relationships.

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Continuous, undisrupted coverage is critical for Medicaid enrollees to maintain access to trusted providers and to improve health outcomes. Consistent coverage translates to improved access to preventive care, fewer disruptions in care, strong patient-physician relationships built on trust and continuity, and less costly emergency department visits. The latest data suggests more than 15 million Medicaid enrollees have been disenrolled and the majority of those disenrolled (71%) had their coverage terminated for procedural reasons, such as out-of-date contact information or incomplete paperwork, leaving individuals still potentially eligible for Medicaid and CHIP without coverage. The AAFP firmly believes that everyone should have access to comprehensive primary care and are deeply concerned that these significant coverage losses are preventing individuals from getting access to the health care services they need.

Given the importance of consistent Medicaid and CHIP coverage for millions of Americans and the concerning trends in loss of coverage occurring during the unwinding period, the AAFP strongly supports the proposals to strengthen Medicaid and CHIP regulations to require 12-month continuous eligibility for all children under age 19, as well as eliminate the option to remove a child's coverage in CHIP for unpaid premiums. Due to the high levels of disenrollment and uncertainty loss of coverage brings to individuals relying on Medicaid and CHIP coverage, CMS action is required to ensure consistent and continuous coverage and hold States accountable as they continue in the unwinding process.

<u>Health and Safety Standards for Obstetrical Services in Hospitals and Critical Access</u> Hospitals

CMS proposes to implement Conditions of Participation (CoP) requirements for hospitals and critical access hospitals (CAHs) providing obstetrical services in an effort to improve maternal health care outcomes and reduce disparities in care access and quality. The proposed CoPs include new requirements for maternal quality assessment and performance improvement (QAPI), maternal health data reporting, baseline standards for the organization, staffing, and delivery of care within obstetrical units, and staff training on evidence-based best practices on an annual basis. CMS also proposes revisions to the emergency services CoP and the Discharge Planning CoP and solicits comments on whether these proposed requirements should also apply to rural emergency hospitals (REHs).

The AAFP appreciates CMS efforts to reduce maternal mortality and morbidity and improve maternal and child health outcomes through enhanced requirements for providers designed to improve maternal health outcomes. The U.S. is currently experiencing a maternal mortality crisis and has one of the highest maternal mortality rates in the developed world.² While the World Health Organization (WHO) reports that maternal mortality globally declined nearly 38 percent between 2000 and 2017,³ maternal mortality in the

¹ Kaiser Family Foundation. Medicaid Enrollment and Unwinding Tracker. Pub: Jan. 22, 2024. Accessed on Jan. 24, 2024. https://www.kff.org/report-section/medicaid-enrollment-and-unwinding-tracker-overview/

² MacDorman MF, Declercq E, Cabral H, et al. Recent increases in the U.S. maternal mortality rate: disentangling trends from measurement issues. Obstet Gynecol. 2016;128(3):447-455.

³ World Health Organization. Fact sheet: maternal mortality. September 19, 2019. Accessed February 20,2020. https://www.who.int/news-room/fact-sheets/detail/maternal-mortality

U.S. increased by over 26 percent in roughly the same time period.⁴ This trend was exacerbated by COVID-19 in 2020 and 2021,⁵ and is even more significant for Black women, who have a maternal mortality rate 2.5 times greater than White women.⁶ These disparities are driven by complex factors that intersect with clinical care, patient health, and public health.

Many communities in the United States are considered maternity care deserts (MCDs) meaning their residents have few or no clinicians providing maternity care services. The closure of rural hospitals and obstetrics programs has led to enormous gaps in access to prenatal and perinatal services for pregnant people living in rural communities. More than 200 rural obstetrical units closed between 2004 and 2014 in the U.S., with additional units at risk.⁷ Family physicians play a vital role in addressing growing caps in obstetric care and in addressing disparities in maternal morbidity and mortality because they are trained to provide comprehensive care throughout an individual's lifespan, including prenatal, perinatal, and postpartum care, for people in their communities.8 Family physicians often provide this care in rural areas that do not have access to obstetrician-gynecologists or certified nurse midwives. According to a 2022 study in American Family Physician, more than one-third (35.8 percent) of counties in the U.S. have been identified as an MCD, with more than eight in ten (81.3 percent) of these counties located in nonmetropolitan areas. Family physicians deliver babies in more than four in ten (40.7 percent) of all U.S. counties, and more than five in ten (52.4 percent) of these counties are located in nonmetropolitan areas. Family physicians are the sole maternity care clinicians delivering babies in 181 MCDs (about one in six of all MCDs), serving more than 400,000 women ages 18 to 44.9

The AAFP supports efforts to improve maternal health outcomes and address significant shortcomings in holistic, comprehensive care through pregnancy, birth, and postpartum services. However, we are concerned that without further tailoring of the requirements, small, rural hospitals may experience undue burdens while they continue to struggle to meet the need for maternity care services in underserved communities. We encourage CMS to carefully consider the significant financial investment, infrastructure development, and administrative burden that will be required to comply with the proposed CoPs, and their impacts on CAHs and other hospitals serving nonmetropolitan communities.

The AAFP encourages CMS to delay implementation or at a minimum, consider a phased approach to implementing the proposed CoPs. Given the significant investment and resources needed to comply with the CoP requirements, a phased approach broken out by requirement category could help create a glidepath for facilities to utilize in their efforts to meet

⁴ MacDorman MF, Declercq E, Cabral H, et al. Recent increases in the U.S. maternal mortality rate: disentangling trends from measurement issues. Obstet Gynecol. 2016;128(3):447-455.

⁵ Maternal Health. HHS Should Improve Assessment of Efforts to Address Worsening Outcomes. Report to Congressional Addresses. United States Government Accountability Office. February 2024. https://www.gao.gov/products/gao-24-106271

⁷ Hung P, Kozhimannil K, Henning-Smith C, et al. Closure of hospital obstetric services disproportionatelyaffects less-populated rural counties. University of Minnesota Rural Health Research Center policy brief. April14, 2017. Accessed July 8, 2019. https://rhrc.umn.edu/publication/closure-of-hospital-ob-services/

⁸ American Academy of Family Physicians. Maternal/child care (obstetrics/perinatal care). Accessed June 24,2020. https://www.aafp.org/about/policies/all/maternal-child-care.html

⁹ Walter G, Topmiller M, Jetty A, Jabbarpour Y. Family Physicians Providing Obstetric Care in Maternity Care Deserts. Am Fam Physician. 2022 Oct;106(4):377-378. PMID: 36260889.

the requirements, allowing a longer implementation period for the most rigorous compliance requirements. We also encourage the Administration to provide ample funding to ensure successful implementation of these CoPs, including urging Congress to update Medicare physician payment to account for the increase in costs to deliver maternity and other care.

We appreciate the opportunity to provide feedback on the Hospital Outpatient Prospective Payment System (OPPS) for calendar year 2025, including the proposed implementation of requirements for continuous Medicaid and CHIP coverage for children, as well as the health and safety standards for obstetrical services for hospitals and critical access hospitals. The AAFP looks forward to working with you to pursue improved health care outcomes and access for vulnerable populations. For additional questions, please contact Kate W. Gilliard, Sr. Manager Federal Policy and Regulatory Affairs at kgilliard@aafp.org.

Tochi Iroku-Malize, MD, MPH, MBA, FAAFP

American Academy of Family Physicians, Board Chair