

**CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS)**  
Advisory Panel on Hospital Outpatient Payment (HOP)  
March 11, 2013  
Recommendations

**AMBULATORY PAYMENT CLASSIFICATION (APC) GROUPS, STATUS INDICATOR (SI) ASSIGNMENTS, AND DATA ISSUES**

1. The Panel requests that both the APC Groups and SI Subcommittee and the Data Subcommittee review data on the impact of the CY 2013 method of using geometric mean costs rather than median costs to establish relative APC weights.
2. The Panel recommends that the work of the Data Subcommittee continue.
3. The Panel recommends that the work of the APC Groups and SI Assignments Subcommittee continue.

**VISITS AND OBSERVATION ISSUES**

4. The Panel recommends that CMS examine claims from providers of Type B emergency department visits and critical care services for any differences in costs based on hospital characteristics.
5. The Panel recommends that CMS examine data (e.g., diagnosis, procedures, revenue codes) on claims with 20 or more observation services that do not qualify for payment through an evaluation and management composite APC.
6. The Panel recommends that the work of the Visits and Observation Subcommittee continue.