



**Comments to  
Centers for Medicare and Medicaid Services  
Advisory Panel on Hospital Outpatient Payment  
August 16, 2021**

**Submitted By: Kirsten Tullia  
On behalf of the  
Advanced Medical Technology Association (AdvaMed)**

AdvaMed appreciates the opportunity to address the Advisory Panel on Hospital Outpatient Payment (the Panel) and commends the Panel on its efforts to evaluate and improve the APC groups under the hospital outpatient prospective payment system (OPPS) and to ensure that Medicare beneficiaries have timely access to new technologies.

AdvaMed member companies produce the medical devices, diagnostic products, and health information systems that are transforming health care through earlier disease detection, less invasive procedures, and more effective treatments. AdvaMed members range from the largest to the smallest medical technology innovators and companies.

AdvaMed is committed to ensuring patient access to life-saving and life-enhancing devices and other advanced medical technologies in the most appropriate settings and supports a system with payment weights and payment rates that include sufficient resources to account for the costs of the medical technologies associated with hospital outpatient and ambulatory surgical center procedures.

Our comments today will address two topics:

- **Reconfiguring APCs**
- **Comments on Specific APCs**

**I. Reconfiguring APCs**

There are several issues related to reconfiguring APCs that we would like to address.

**Complexity Adjustments**

CMS has developed a process for identifying and applying complexity adjustments to certain combinations of codes as a part of the comprehensive APC policy. AdvaMed supports the complexity adjustment as an important tool to help ensure adequate payment under the comprehensive APC methodology. We supported the changes made to the complexity adjustment criteria in the CY 2019 final rule but believe that important opportunities to refine the methodology remain.

***AdvaMed recommends that the Panel:***

- *Request that CMS expand its review of procedure combinations to include clusters of J1 and add-on codes, rather than only code pairs, to more closely reflect medical practice when multiple procedures are performed together.*
- *Request that CMS continue to report on the impact of applying complexity criteria on APC assignments for code combinations within the comprehensive APCs.*

### **Revision of the Inpatient Only (IPO) List**

The proposed rule contains recommendations to halt the elimination of the IPO list beginning in 2022, and to reinstate all 298 procedures previously identified for removal from the IPO list beginning in 2022. The rule goes on to propose to reinstate the longstanding criteria for removing a procedure from the IPO list beginning in 2022.

AdvaMed supports CMS’ proposal to continue use of the IPO list and reinstate preexisting criteria for determining whether to remove a measure from the IPO list. We believe this return to the previous criteria-based evaluation and review process appropriately addresses the safety concerns associated with performing all of these procedures in the outpatient setting.

Moving forward, AdvaMed requests CMS provide additional transparency regarding how OPSS rates are set for procedures that are removed from the IPO list. Increased transparency around the process CMS uses to identify APC placement for these procedures will better enable stakeholders to assess whether a proposed APC placement reflects the resources involved in furnishing such services and appropriately maintains clinical and cost cohesion within the APCs.

*AdvaMed recommends that the Panel:*

- *Recommend that CMS increase transparency by explaining how CMS sets outpatient rates when procedures are removed from the IPO list.*

## **II. Comments on Specific APCs**

### **Review of High-Intensity Focused Ultrasound for Treatment of Prostate Cancer**

CPT code 55880 is a new CPT code approved for use effective January 1, 2021. This code, for ablation of prostate tissue using transrectal high intensity focused ultrasound, was assigned to APC 5375 (Level 5 Urology and Related Services). AdvaMed has concerns regarding the placement of this code into APC 5375 as we do not believe that payment for this grouping adequately reflects the resources used by hospitals in performing this procedure, and may therefore create access issues for Medicare beneficiaries in need of this service.

*AdvaMed recommends that the Panel:*

- *Recommend that CMS assign CPT code 55880 to APC 5376 (Level 6 Urology and Related Services) for CY 2022.*

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AdvaMed encourages the Panel to continue to recognize the unique challenges associated with device-dependent procedures and urges the Panel and CMS to carefully consider the timeliness,

adequacy, and accuracy of the data and the unique perspective that manufacturers bring to these issues.

Thank you.

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