

June 17, 2022

Chiquita Brooks-LaSure Administrator, Centers for Medicare and Medicaid Services 7500 Security Boulevard Baltimore, MD 21244

Re: Covered California Comments on FY 2023 Inpatient Prospective Payment System (IPPS) and Long-Term Care Hospital (LTCH) Prospective Payment System (PPS) Rule (RIN 0938–AU84)

Dear Administrator Brooks-LaSure:

Covered California applauds the Centers for Medicare and Medicaid Services (CMS) thoughtful approach to advancing health equity as demonstrated by the new proposed FY 2023 Inpatient Prospective Payment System (IPPS) and Long-Term Care Hospital (LTCH) Prospective Payment System (PPS) rule. This proposed rule would require the adoption of measures focused on key influences of individual health outcomes that fall outside of the traditional healthcare system but have a significant impact on individual and community health. Of these initiatives designed to improve health outcomes, Covered California especially supports adopting the Screen Rate and Screen Positive Rate for Social Drivers of Health (SDOH) and creating a "Birthing-Friendly" hospital designation.

New Screen Rate and Positive Screen Rate for Drivers of Health Measure

As stated by CMS in the proposed rule, by screening for and identifying unmet needs such as housing instability, transportation needs, utility difficulties, food insecurity, and interpersonal safety, hospitals will be in a better position to serve patients holistically by addressing and monitoring what are often key contributors to poor physical and mental health outcomes.

Public health and economic research overwhelmingly indicates how important it is to measure and address these drivers of health (DOH), but as we noted in our April 19th letter on this topic¹, there has been no unified approach across the United States, leaving the healthcare sector without validated and standardized tools to do so. CMS's introduction of these first-ever DOH measures is critical to avoid fragmentation and provider/patient burden and enable alignment across public and private quality and payment programs. We note the opportunity for alignment of these proposed measures with CMS's CY2023 Medicare Advantage and Part D rule² (providing that special needs plans must complete enrollee health risk assessments including SDOH) and its ACO Realizing Equity, Access, and Community Health (REACH) Model³ (requiring patient-level SDOH data collection).

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¹ Covered California, letter of support to Secretary Becerra and Administrator Brooks-LaSure, April 19, 2022.

² 87 Fed.Reg. 27704 (May 9, 2022).

³ Centers for Medicare & Medicaid Services, ACO Realizing Equity, Access, and Community Health (REACH) Model, Request for Applications (Feb. 24, 2022).

Covered California believes that these measures will be a foundational tool because they will be the first standard set of measures to collect patient-level DOH in a federal quality or payment program. Covered California's Qualified Health Plan Issuer model contract includes requirements to screen all enrollees for food insecurity using the two food insecurity questions in the Accountable Health Community Health-Related Social Needs Screening Tool.⁴ Covered California set these requirements with an initial limited focus on hunger due in part to our belief that we should follow established national standards, particularly in evolving areas such as assessing, measuring, and addressing social drivers of health.

Individuals and agencies invested in reducing health disparities know from decades of research – including CMS's own social needs screening data⁵ – that racial and ethnic minorities screen positive for facing challenging drivers of health at higher rates. Given this demonstrated inequity, we strongly recommend that CMS enact <u>both</u> proposed measures. Requiring screening but not reporting the results would significantly limit the utility of the screening measure. In particular, the screen positive rate measure is crucial not only to enable point of care interventions to address an individual beneficiary's unmet social needs but also to illuminate the prevalence of such needs at a systems level, so that we know how and where to invest and where to prioritize our resources. Absent such data, providers, plans, and purchasers will not know how to redistribute resources and how to adjust payment, and so we again commend CMS for including both of these measures in the proposed rule.

The SDOH data collected via these measures will also enable and align with other elements of this proposed rule, including CMS's Hospital Commitment to Health Equity Measure and its RFIs relative to SDOH Diagnosis Codes and Inclusion of Health Equity Performance in the Hospital Admissions Reduction program.

We appreciate your call for bold action – and commitment to an ambitious agenda to realize this goal. We view the enactment of these dual DOH measures as an expression of this commitment and a crucial step in the direction of equitable access, quality, and outcomes for all.

Proposed Birthing-Friendly Hospital Designation

Covered California strongly supports the proposal to create a new public-facing hospital designation to identify "birthing friendly hospitals" as well as additional quality measure reporting to drive improvements in maternal health outcomes and maternal health equity. Recognizing and incentivizing high-quality maternal care aligns with Covered California's longstanding commitment to supporting maternal health, for example, through reducing unnecessary cesarean sections as well as providing patients with tools to make health care choices that work for them. We also note that the designation is voluntary, which would avoid creating additional fiscal and administrative burdens for hospitals.

In addition to the direct impact on maternal care quality that such a designation would have, Covered California welcomes the potential system integration around maternity care that this designation could encourage. Covered California foresees adding provisions in the Qualified Health Plan Issuer model contract to encourage contracted hospital attainment of "birthing friendly" designation, leading to greater alignment and amplification of federal policy.

⁴ Centers for Medicare & Medicaid Services, The Accountable Health Communities Health-Related Social Needs Screening Tool.

⁵ Centers for Medicare & Medicaid Services, Accountable Health Communities (AHC) Model Evaluation (Dec. 2020).

Covered California recommends that additional criteria be established in designating a hospital as birthing-friendly beyond reporting "Yes" to both questions in the Maternal Morbidity Structural measure. For example, this could include staffing levels and types as well as the availability of specialized resources, like an operating room, intensive care unit, and laboratory resources. Further, there are other performance criteria that we find would further illuminate a hospital's ability to serve as a birthing-friendly hospital, such as adequate transfer relationships, proven timeliness of care, and performance (not only reporting) of the Maternal Morbidity Structural measure and/or other related measures.

Covered California also supports the new related electronic clinical quality measures (eCQMs) Cesarean Births and Severe Obstetric Complications. In the same spirit, Covered California also suggests CMS consider specifying CMS-level policy on early elective deliveries, such as non-payment, as well as measures focused on early elective deliveries, in addition to non-medically necessary Cesarean sections. Covered California's Qualified Health Plan Issuer model contract includes requirements to adopt value-based payment strategies to support only necessary care, with no financial incentive to perform Cesarean sections.

We appreciate your consideration of our comments. We look forward to continuing our partnership with you to advance health equity through the identification and implementation of measures focused on influences of health outcomes. If you have any questions or would like more information about the proposed rules' impact on individuals' access to affordable coverage, please feel free to contact me.

Sincerely,

Jessica Altman
Executive Director

cc: Dr. Elizabeth Fowler, Deputy Administrator and Director, Center for Medicare and Medicaid Innovation

Dr. Meena Seshamani, Deputy Administrator and Director, Center for Medicare Daniel Tsai, Deputy Administrator and Director, Center for Medicaid and CHIP Services

Dr. Lee Fleischer, Chief Medical Officer and Director, Center for Clinical Standards and Quality

Dr. Ellen Montz, Deputy Administrator and Director, Center for Consumer Information and Insurance Oversight