



## American Association of Physicists in Medicine

One Physics Ellipse  
College Park, MD 20740-3846  
(301) 209-3350  
Fax (301) 209-0862  
<http://www.aapm.org>

August 20, 2014

Marilyn Tavenner  
Administrator  
Centers for Medicare and Medicaid Services  
Department of Health and Human Services  
Attention: CMS-1613-P  
Mail Stop C4-26-05  
7500 Security Boulevard  
Baltimore, MD 21244-1850

Re: Medicare Program; Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems; Proposed Rule; CMS-1613-P

Dear Administrator Tavenner:

The American Association of Physicists in Medicine<sup>1</sup> (AAPM) is pleased to submit comments to the Centers for Medicare and Medicaid Services (CMS) in response to the July 14, 2014 *Federal Register* notice regarding the 2015 Medicare Hospital Outpatient Prospective Payment System (HOPPS) proposed rule. The AAPM will provide comments on the comprehensive APC proposal.

### **COMPREHENSIVE APC PROPOSAL**

In the 2014 HOPPS final rule, CMS finalized a comprehensive payment policy, effective January 1, 2015, that bundles payment for the most costly medical device implantation procedures under the HOPPS at the claim level. In the 2015 proposed rule, CMS added additional comprehensive ambulatory payment classifications (C-APCs), including lower cost device-dependent APCs not proposed in 2014 and 2 new C-APCs for other procedures and technologies that are either largely device-dependent or represent single session services with multiple components. The 2015 proposed policy applies to several radiation oncology services including intraoperative radiation therapy (IORT), breast brachytherapy catheter placement and single session cranial stereotactic radiosurgery (SRS) procedures assigned to C-APCs 0067 and 0648.

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<sup>1</sup> The American Association of Physicists in Medicine (AAPM) is the premier organization in medical physics, a broadly-based scientific and professional discipline encompassing physics principles and applications in biology and medicine whose mission is to advance the science, education and professional practice of medical physics. Medical physicists contribute to the effectiveness of radiological imaging procedures by assuring radiation safety and helping to develop improved imaging techniques (e.g., mammography CT, MR, ultrasound). They contribute to development of therapeutic techniques (e.g., prostate implants, stereotactic radiosurgery), collaborate with radiation oncologists to design treatment plans, and monitor equipment and procedures to insure that cancer patients receive the prescribed dose of radiation to the correct location. Medical physicists are responsible for ensuring that imaging and treatment facilities meet the rules and regulations of the U.S. Nuclear Regulatory Commission (NRC) and various State regulatory agencies. AAPM represents over 7,000 medical physicists.

In general, AAPM supports the concept of C-APCs but cautions CMS that focusing on expensive device-dependent procedures initially may preclude expansion and development of future comprehensive APCs. Selection of procedures to include in a comprehensive payment bundle is a complex process best developed through reliance on expert panels. Choosing a bundling benchmark such as “on the same claim” is not a good foundation for a comprehensive payment procedure set. There is ample support in the literature related to comprehensive/ bundled payments to support a carefully constructed procedure or episode of care based approach. A “per claim” approach will lead to confusion, variation in the payments to different facilities based on their claim process and induce incentives for claim timing not in the best interests of payment reform.

AAPM suggests that CMS focus on clinically coherent services as the basis for C-APCs. For example, C-APC 0648 *Level IV Breast and Skin Surgery* contains services that are not clinically relevant to each other (see table below). C-APC 0648 includes procedures that treat breast cancer with different radiation therapy technology (i.e. IORT and brachytherapy) and other services for breast repair and/or reconstruction. In a hospital outpatient system moving toward episodes of care, it may be more appropriate to consider C-APCs based on clinical conditions (e.g. early stage breast cancer) or similar types of technology (e.g. radiation therapy for the treatment for early stage breast cancer).

*APC 0648 Level IV Breast and Skin Surgery*

<b>HCPCS Code</b>	<b>Short Descriptor</b>
19296	Placement breast catheter for radiation following partial mastectomy
19298	Placement of breast brachytherapy catheters (multiple tube and button type) for radiation at the time of or subsequent to partial mastectomy
19325	Enlarge breast with implant
19342	Delayed breast prosthesis following mastopexy, mastectomy or in reconstruction
19357	Breast reconstruction
77424	IORT treatment delivery by x-ray
77425	IORT treatment delivery by electrons

In addition to being clinically coherent, all procedures in a C-APC should also be similar in resource costs. Additional levels of a C-APC may be required to achieve both of these objectives. For example, if CMS implements C-APC 0648 *Level IV Breast and Skin Surgery* in 2015, we recommend that you consider more than one comprehensive APC to address variations in resource costs.

We also have concerns about the proposed complexity adjustment. Though the complexity adjustment seems generally reasonable, it would not apply to C-APC 0067 *Single Session Cranial SRS* or to C-APC 0648 *Level IV Breast and Skin Surgery*. This too would support breaking the current C-APC 0648 into more than one grouping. CMS should also consider a complexity adjustment methodology that could be applied to the highest level C-APC within each family of codes.

AAPM thinks that C-APC 0067 *Single Session Cranial SRS* is a good example of a comprehensive APC that includes similar clinical services.

**AAPM recommends that CMS reconsider the creation of comprehensive APCs based on clinical coherence, similarity of resource cost, and appropriate complexity adjustment, in a way that does not focus initially on expensive device-dependent procedures.**

We hope that CMS will take these issues under consideration during the development of the 2015 HOPPS/ASC final rule. Should CMS staff have additional questions, please contact Wendy Smith Fuss, MPH at (561) 637-6060.

Sincerely,



James Goodwin, M.S.  
Chair, Professional Economics Committee



Blake Dirksen, M.S.  
Vice-Chair, Professional Economics Committee