

**From:** Allen, Nadine <nallen@wha.org>

**Sent:** Tuesday, April 19, 2022, 4:22 PM

**Subject:** WHA QUALITY ALERT: CMS Proposes Policies to Advance Health Equity and Maternal Health, Support Hospitals

See the notice below that the IPPS Proposed Inpatient Rule has been released by CMS. Comment period is open until June 17<sup>th</sup>. There are several links below to fact sheets that are very helpful, otherwise the full rule (1780+ pages) can be viewed also at the link below from the Federal Register.

Thanks,  
Nadine

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**From:** Centers for Medicare & Medicaid Services <[cmslists@subscriptions.cms.hhs.gov](mailto:cmslists@subscriptions.cms.hhs.gov)>

**Sent:** Tuesday, April 19, 2022 10:32 AM

**To:** Allen, Nadine <[nallen@wha.org](mailto:nallen@wha.org)>

**Subject:** [External]CMS Proposes Policies to Advance Health Equity and Maternal Health, Support Hospitals



## **CMS NEWS**

FOR IMMEDIATE RELEASE

April 18, 2022

Contact: CMS Media Relations

(202) 690-6145 | [CMS Media Inquiries](#)

## **CMS Proposes Policies to Advance Health Equity and Maternal Health, Support Hospitals**

*CMS Integrates Equity and Maternal Health Quality Measures into Proposed Rule that Drives Payment for Hospitals*

Today, the Centers for Medicare & Medicaid Services (CMS) issued a proposed rule for inpatient and long-term hospitals that builds on the Biden-Harris Administration's key priorities to advance health equity and improve maternal health outcomes. In addition to annual policies that promote Medicare payment accuracy and hospital stability, the FY 2023 Inpatient Prospective Payment System (IPPS) and Long-Term Care Hospital (LTCH) Prospective Payment System (PPS) rule includes measures that will encourage hospitals to build health equity into their core functions, thereby improving care for people and communities who are disadvantaged and/or underserved by the healthcare system. The rule includes three health equity-focused measures in hospital quality programs, seeks stakeholder input related to documenting social determinants of health in inpatient claims data, and proposes a "BirthingFriendly" hospital designation.

For acute care hospitals paid under the IPPS that successfully participate in the Hospital Inpatient Quality Reporting Program and are meaningful electronic health record users, the proposed increase in operating payment rates is projected to be 3.2%. This reflects a FY 2023 projected hospital market basket update of 3.1% reduced by a projected 0.4 percentage point productivity adjustment and increased by a 0.5 percentage point adjustment required by statute. Under the LTCH PPS, CMS expects payments to increase by approximately 0.8% or \$25 million.

"Building a healthier America starts with ensuring everyone in our nation has access to high quality, affordable health care," said HHS Secretary Xavier Becerra. "The new Medicare policies we are proposing today will help advance health equity in our health systems and dramatically improve maternal care for new parents and their newborns."

"This rule, which funds a substantial portion of Medicare programs, is crucial to the foundation of CMS' vision, ensuring access for all people with Medicare and maintaining incentives for our hospital partners to operate efficiently," said CMS Administrator Chiquita Brooks-LaSure. "This year—through a health equity lens—we are also re-envisioning the next chapter of health care quality and patient safety."

### ***Advancing Health Equity***

Health equity means the attainment of the highest level of health for all people, where everyone has a fair and just opportunity to attain their optimal health

regardless of race, ethnicity, disability, sexual orientation, gender identity, socioeconomic status, geography, preferred language, or other factors that affect access to care and health outcomes. CMS is working to advance health equity by designing, implementing, and operationalizing policies and programs that support health for all the people served by our programs, eliminating avoidable differences in health outcomes experienced by people who are disadvantaged or underserved, and providing the care and support that our enrollees need to thrive.

To address health care disparities in hospital inpatient care and beyond, CMS is proposing three health equity-focused measures for adoption in the Hospital Inpatient Quality Reporting (IQR) Program. The first measure assesses a hospital's commitment to establishing a culture of equity and delivering more equitable health care by capturing concrete activities across five key domains, including strategic planning, data collection, data analysis, quality improvement, and leadership engagement. The second and third measures capture screening and identification of patient-level, health-related social needs—such as food insecurity, housing instability, transportation needs, utility difficulties, and interpersonal safety. By screening for and identifying such unmet needs, 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.

Additionally, CMS seeks public input on how to optimally measure health care quality disparities, including what to prioritize in data collection and reporting as well as approaches to consider in driving provider accountability across hospital quality programs.

CMS is also proposing to discontinue the use of proxy data for uncompensated care costs in determining uncompensated care payments for Indian Health Service and Tribal hospitals and hospitals in Puerto Rico, and to establish a new supplemental payment to prevent undue long term financial disruption for these hospitals.

### ***Improving Care for People Experiencing Homelessness and Documenting Social Determinants of Health***

CMS is seeking stakeholder input through a Request for Information (RFI) on social determinants of health, particularly related to homelessness, reported by hospitals on Medicare claims. Consistently documenting these factors could better support people experiencing homelessness and more fully consider resources expended by hospitals. With this RFI, CMS seeks to better understand the perspectives of people who are experiencing or have experienced homelessness, advocates representing people experiencing homelessness, hospitals and other key stakeholders for consideration in future payment policies.

### **Improving Maternal Health Outcomes**

CMS is proposing the creation of a new hospital designation to identify “birthing friendly hospitals” and additional quality measure reporting to drive improvements in maternal health outcomes and maternal health equity.

The Biden-Harris Administration has championed policies to improve maternal health and equity since President Joe Biden and Vice President Kamala Harris first took office. This week, Vice President Harris convened a first-ever White House meeting with Cabinet Secretaries and agency leaders, including Secretary Becerra, CMS Administrator Chiquita Brooks-LaSure, and Health Resources and Services Administration (HRSA) Administrator Carole Johnson, to discuss the Administration’s whole-of-government approach to reducing maternal mortality and morbidity.

In December 2021, Vice President Harris announced a historic Call to Action to improve health outcomes for parents and their young children in the United States. Today’s announcement is part of the Biden-Harris Administration’s continued response to that Call to Action.

“Improving maternal health outcomes—particularly among underserved communities and groups that we know experience adverse birth outcomes at a higher rate—is a top priority for the BidenHarris Administration, CMS, and for me personally,” said Administrator Brooks-LaSure.

The “Birthing-Friendly” hospital designation would assist consumers in choosing hospitals that have demonstrated a commitment to maternal health through implementation of best practices that advance health care quality, safety, and equity for pregnant and postpartum patients. Initially, the designation would be awarded to hospitals based on their attestation to the Hospital IQR Program’s *Maternal Morbidity Structural Measure*.

The *Maternal Morbidity Structural Measure* reflects hospitals’ commitment to the quality and safety of maternity care they furnish. Data will be submitted by hospitals for the first time in May 2022, and CMS will post data for October to December 2021 in fall 2022. The hospital designation would begin in fall 2023. Criteria for the designation could be expanded in the future.

The proposed rule also introduces two additional quality measures for the Hospital IQR Program intended to drive improvements in maternal health, including a measure of low-risk Cesarean deliveries and a measure of severe obstetric complications.

### ***Promoting Payment Accuracy and Stability***

At its core, the rule drives high-quality, person-centered care and promotes fiscal stewardship of the Medicare program by proposing updates to Medicare fee-for-service payment rates and policies for acute care inpatient hospitals and long-term

care hospitals for FY 2023. Annually, IPPS and LTCH spending accounts for more than 25% of fee-for-service Medicare spending for approximately 3,900 inpatient and long-term care hospitals.

Additional items in the proposed rule related to payment stability for hospitals, include a policy that smooths out significant year-to-year changes in hospitals' wage indexes and a solicitation for comments on payment adjustments for purchasing domestically made surgical N95 respirators. Specifically, CMS is proposing to apply a 5% cap on any decrease to a hospital's wage index from its wage index in the prior fiscal year; and is considering the appropriateness of payment adjustments accounting for additional costs of purchasing surgical N95 respirators made in the U.S.

For a fact sheet on the proposed payment rule visit:

<https://www.cms.gov/newsroom/fact-sheets/fy-2023-hospital-inpatient-prospective-payment-system-ipp-pps-and-long-term-care-hospitals-ltch-pps>

For a fact sheet specific to the maternal health and health equity measures included in the proposed payment rule visit: <https://www.cms.gov/newsroom/fact-sheets/fy-2023-hospital-inpatient-prospective-payment-system-ipp-pps-and-long-term-care-hospitals-ltch-pps-0>

The White House statement on Reducing Maternal Mortality and Morbidity, as part of the first-ever federal maternal health day of action, can be viewed at:

<https://www.whitehouse.gov/briefing-room/statements-releases/2021/12/07/fact-sheet-vice-president-kamala-harris-announces-call-to-action-to-reduce-maternal-mortality-and-morbidity/>

For a fact sheet on additional steps to address maternal health announced as part of the first-ever meeting with cabinet officials on maternal health hosted by Vice President Harris visit: <https://www.whitehouse.gov/briefing-room/statements-releases/2022/04/13/fact-sheet-biden-harris-administration-announces-additional-actions-in-response-to-vice-president-harris-call-to-action-on-maternal-health/>

The FY 2023 IPPS/LTCH PPS proposed rule has a 60-day comment period. The proposed rule can be downloaded from the Federal Register at:

<https://www.federalregister.gov/public-inspection/current>

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