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CMS Introduces 2025 Outpatient Rule with COPs for OB Care

On July 10, the Centers for Medicare & Medicaid Services (CMS) <u>announced</u> its proposed 2024 Outpatient Perspective Payment System (OPPS) rule with an overall 2.6% payment increase, continuing the recent trend of payment updates well below real levels of hospitals' cost increases.



The proposed rule also includes a significant update to hospitals' conditions of participation (COPs), by creating new conditions for hospitals (including CAHs) that provide obstetrics (OB) and maternal care. This is an attempt to fulfill aspects of the Biden Administration's 2022 <u>Blueprint for Addressing the Maternal Health Crisis</u> and the intention to utilize COPs was first mentioned in the 2025 proposed inpatient rule. <u>WHA had urged CMS</u> not to follow-through with new COPs in its comment letter, citing concerns that it would exacerbate challenges hospitals already face in sustaining these critical services.

Among the new COPs proposed for OB and maternal care are:

- Requiring hospitals with OB units to adopt "well organized" processes for staffing and OB care delivery that CMS believes will improve quality, in accordance with nationally acceptable standards of practice.
- Requiring the organization of OB services be appropriate to the scope of services offered, such as ensuring good communication and collaboration with lab, surgical, and anesthesia services.
- Requiring protocols for addressing OB emergencies and complications.
- New patient transfer policies and procedures.
- New mandates for how Eds maintain stores of equipment, supplies, and drugs.

Other notable provisions in the proposed rule include:

- Three new quality reporting measures for health equity and various changes to quality reporting programs.
- Separate payments for diagnostic radiopharmaceuticals with per-day costs exceeding \$630.
- Proposed modification to the "safety of care" measure under the hospital quality star ratings program, as well as seeking comment on whether hospitals that score poorly on the measure should be eligible for overall ratings of 5 stars.
- Updates to the payment structure for the partial hospitalization and intensive outpatient programs (IOP) that treat patients with acute mental health and substance abuse needs.
- Aligning OPPS payment for remote services furnished from the hospital setting to a patient's home (including outpatient therapy, Diabetes Self-Management Training and Medical Nutrition Therapy services, and mental health services) with Medicare's telehealth structure under the physician fee schedule.
- Revising Medicare's special enrollment period for formerly incarcerated people to include those who've been released or on parole, probation, or home detention.

WHA will continue analyzing the <u>nearly 1,000 page rule</u> in anticipation of the Sept. 9 comment deadline. Contact WHA Vice President Federal & State Relations <u>Jon Hoelter</u> with questions.

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