



# FAL Briefing Memo

July 2021

## 2022 Proposed Medicare Fee Schedule Rule

- The U.S. Centers for Medicare & Medicaid Services has issued the proposed 2022 Medicare physician fee schedule rule that continues cuts to payment to nearly three dozen health care providers, including a proposed 3.5% cut to physical therapy, and implements a payment differential for services furnished by a PTA or OTA. Additional information [HERE](#).
- On July 23, 2021, APTA joined AMA and 107 other health care provider organizations in a letter to Congressional leadership highlighting concerns about the proposed 2022 proposed Medicare fee schedule rule, and urging Congress and the Administration to address the proposed cuts by maintaining the 3.75% funding increase to the conversion factor (CF) through at least calendar years 2022 and 2023. *\*copy of letter on HUB*
- Check out the latest APTA podcast that provides an overview of the proposed 2022 Medicare Physician Fee Schedule Rule, including an overview on the proposed cuts, the PTA/OTA differential, plus a look at CMS' decisions around telehealth for PTs after the end of the public health emergency. [HERE](#)

## 2022 Proposed Home Health Rule

- While data from 2020 indicates issues with the PDGM model, namely increased payment but decreased utilization, CMS is not taking corrective action due to questions about whether the data is skewed by PDGM or is attributable to the pandemic. A 1.8% increase in payment is proposed along with nationwide adoption of the Home Health Value Based Purchasing Model which would see home health agencies report quality data in exchange for a payment adjustment of plus or minus 5%. APTA's summary of the rule can be found [HERE](#).

## 2022 Proposed Hospital Outpatient, Ambulatory Surgical Center, and Hospital Price Transparency Rule

- On July 19, 2021, the Department of Health and Human Services (HHS) released a [proposed rule](#) which governs payment for hospital outpatient and ambulatory surgical centers (ASCs) for CY 2022. CMS is seeking a 2.3 percent increase to OPPS payment rates for hospitals and ASCs for CY 2022. This proposed rule ratchets up civil monetary penalties for hospitals that violate the hospital transparency rule that became effective at the beginning of this year, calls for greater health equity quality reporting, seeks input on requirements for Rural Emergency Hospitals, and seeks comment on potential future adoption of a patient reported outcomes measure following elective primary total hip and/or total knee arthroplasty (THA/TKA) for both inpatient hospitals and ASCs. The proposed rule would go into effect on January 1, 2022. APTA will provide comments on the proposed rule before the comment period deadline, which will be [September 17](#). See [here](#) for CMS' press release, and [here](#) for CMS' fact sheet.

## Other Federal Rules to Note

- CMS has released Part 3 of the 2022 Notice of Benefit and Payment Parameters making final tweaks to the ACA as marketplaces prepare for open enrollment. Included in the rule are an extension of open enrollment for marketplaces (now November 1, 2021-January 15, 2022), increased funding for navigators, and new special enrollment periods for low-income consumers. The rule also repeals some Trump era guidance on 1332 waivers which allow states to make changes to their marketplace.
- Other proposed rules expected later this summer: Durable Medical Equipment, Prosthetics, Orthotics, & Supplies (DMEPOS), Medicare Advantage, Notice of Benefit and Payment Parameters for 2023.

### **Federal Agencies**

- On June 28, CMS announced Daniel Tsai as the new Deputy Administrator and Director of Center for Medicaid and CHIP Services. Tsai comes from the Commonwealth of Massachusetts where he served as the Assistant Secretary for MassHealth and Medicaid Director. For details, see CMS' [press release](#)
- The U.S Department of Education has released \$3 billion in American Rescue Plan (ARP) funding for IDEA programs. The ARP earmarked new emergency funding for the three IDEA state grant programs: \$2.5 billion for the state grant program that supports children with disabilities who require special education services in kindergarten through high school (Part B), \$200 million for services for preschool-aged children (Section 619), and \$250 million for early intervention services for infants and toddlers with disabilities and their families (Part C). APTA had a direct hand in ensuring this funding was secured. After the passage of the CARES act, which inadvertently failed to earmark funding for early intervention programs under Part C and Part B 619, APTA helped lead a coalition of organizations to ensure this mistake was not repeated in ARP. Through direct lobbying of legislators, distribution of a sign on letter which was endorsed by 44 national and state organizations, APTA in collaboration with the Academy of Pediatric PT, successfully ensured that emergency relief funding would be directed to all of the programs that deliver vital services to children with disabilities. Press release [HERE](#)

### **Nominations**

- On June 24, Alice Bell, APTA Senior Payment Specialist, was selected to serve on the Technical Expert Panel (TEP) for the Refinement of Long-Term Care Hospital (LTCH), Inpatient Rehabilitation Facility (IRF), Skilled Nursing Facility (SNF)/Nursing Facility (NF), and Home Health (HH) Function Measures.