



March 9, 2018

***Via Electronic Mail: [OIRA\\_submission@omb.eop.gov](mailto:OIRA_submission@omb.eop.gov)***

Office of Management and Budget  
Office of Information and Regulatory Affairs  
Attention: CMS Desk Officer  
CMS-10471  
OMB Control Number: 0938-1235

**Re: Agency Information Collection Activities; Proposals, Submissions, and Approvals**

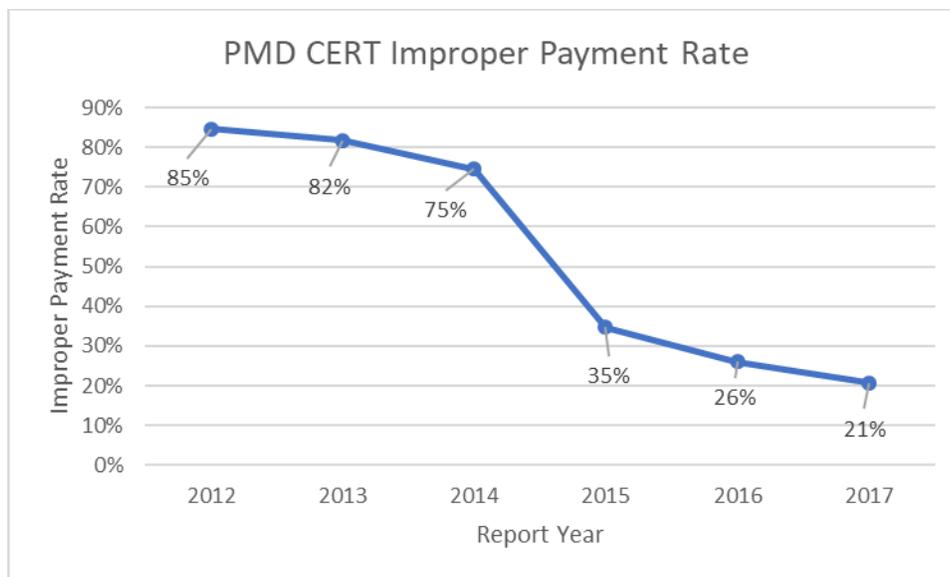
To Whom It May Concern:

The American Association for Homecare (AAHomecare) is pleased to have the opportunity to submit comments on the Evaluation of the Medicare Prior Authorization for Power Mobility Devices Demonstration (PMD PA Demonstration) under the Paperwork Reduction Act of 1995. AAHomecare is the national organization for durable medical equipment, infusion therapy, prosthetics, orthotics, and supplies (DMEPOS) suppliers, manufacturers, and other stakeholders in the homecare community. Our membership participates in the PMD PA demonstration and in light of our members' expertise and experience, AAHomecare is uniquely qualified to comment on the above request. We are strong supporters of programs that streamline services and improves access to timely, quality care for Medicare beneficiaries. Since the inception of the demonstration in September of 2012, we have received positive feedback from suppliers participating in the PMD PA Demonstration. We strongly urge CMS to extend the PMD PA Demonstration beyond the August 31, 2018 deadline or immediately transition the currently included items in the PMD PA Demonstration to Medicare's Prior Authorization for Certain DMEPOS Items program and require prior authorization

nationwide for PMDs before the conclusion of the PMD PA Demonstration on August 31, 2018.<sup>1</sup> It is crucial that this process continues to be available for PMD suppliers and beneficiaries.

#### I. Demonstration Successes

PMD PA Demonstration has proven to be successful for CMS by reducing improper payments; and the evidence can be seen in CMS' Comprehensive Error Rate Testing (CERT) reports. In the 2012 Medicare Fee-for-Service Supplemental Improper Payment Data report (date of service: 07/01/2010-06/30/2011), CMS reported an 84.6% improper payment rate for PMDs.<sup>2</sup> However, the 2017 report that was published earlier this year showed an improper payment rate of 20.8%.<sup>3</sup> Within a 5-year period, the CERT improper payment rate for PMD was reduced by 75%. You can see the trend in the graph below.<sup>4</sup> The significant drop seen between the 2014 report and 2015 report coincides with the start of PMD PA Demonstration.



The PMD PA Demonstration has helped CMS reduce improper payments and ensure that the right beneficiary acquires the correct equipment by moving away from a pay and chase model to proactively determining coverage. The benefits to CMS include relief for audit and appeal contractors, since prior authorized items have been deemed to meet the medical necessity requirements, these items are excluded from audits and thus the appeals process. While CERT audits may still occur, the Durable Medical Equipment Medicare Administrative Contractors (DME MACs), Recover Audit Contractor (RAC) and Supplemental Medical Review Contractors (SMRCs) no longer audit these claims for medical necessity.

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<sup>1</sup> 42 C.F.R. §414.234 (GPO e-CFR current through January 19, 2018).

<sup>2</sup> Centers for Medicare and Medicaid Services (2013). *Medicare Fee-for-Service 2012 Improper Payments Report*.

<sup>3</sup> Centers for Medicare and Medicaid Services (2018). *Medicare Fee-for-Service 2017 Improper Payments Report*.

<sup>4</sup> Data is retrieved from the annual CERT Reports on Centers for Medicare and Medicaid Services' Comprehensive Error Rate Testing (CERT) website, last accessed on March 7, 2018: <https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/CERT-Reports.html>

The PMD PA Demonstration provides a level of assurance for suppliers knowing that the supporting medical documentation created by the prescriber is consistent with Medicare's criteria before expending resources to deliver equipment to the beneficiary. The burden of the extensive medical documentation requirements for PMDs remains unaltered by the demonstration; however, the benefit provided by Medicare reviewing the supporting medical documentation earlier in the process provides suppliers a level of assurance that it meets Medicare's coverage policies. An affirmed prior authorization reduces the supplier's financial risk, and should a prior authorization request be denied, suppliers and prescribers have the opportunity to address the denial immediately which eliminates the costly and lengthy appeals process for both suppliers and the Medicare program.

Additionally, through this process, suppliers and prescribers obtain feedback and education via the affirmation/non-affirmation letter on the adequacy of medical documentation which has proven to be an important educational tool. Specifically, the non-affirmation letter informs the prescriber of the reasons for the decision, which allows him or her to learn more about Medicare requirements. The non-affirmation letters being sent to the beneficiary and the prescriber has been crucial to the success of the process and must be ensured to continue in any future prior authorization initiatives. Prescribers are authoring more focused and detailed medical records based on feedback provided directly from the DME MACs within the context of prior authorization determination letters. Beneficiaries are more aware of the Medicare requirements due to this process which has proven to set appropriate expectations for Medicare beneficiaries.

## II. Demonstration Recommendations

CMS should advance electronic exchange and interoperability by integrating the PMD Face-to-Face (F2F) Encounter Clinical Data Elements (CDEs) into electronic health records. In 2012, CMS collaborated with the PMD industry and developed an electronic PMD F2F Encounter CDE for insertion into electronic health records (EHRs) to enhance documentation created by physicians during the beneficiary's F2F examination.<sup>5</sup> However, the implementation of the PMD F2F Encounter CDE has not been implemented 6 years later. EHR software vendors have not been required to insert the PMD CDEs into EHR systems by CMS. The integration of the PMD CDEs will increase efficiency during the exchange of health information throughout the entire prior authorization process.

Additionally, other areas of electronic exchange could be improved by increasing the use of electronic submission of medical documentation (eSMD) to submit documentation and receive decision letters. Many Medicaid and managed care programs have been completely electronic for many years. AAHomecare recommends that eSMD and the PMD F2F Encounter CDE for prescribers be mandatory and that the costs should be absorbed by the Medicare program as electronic transmissions remove costs from DME MACs that must handle paper mail and the scanning and indexing of those documents. CDEs should be required to be used by prescribers and be incorporated into their EHR systems. In addition, the CDE that CMS developed should be pared down to make it easier for the prescriber community to embrace. The electronic template

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<sup>5</sup> See CMS.gov: *DMEPOS Templates, Power Mobility Device*, <https://www.cms.gov/Research-Statistics-Data-and-Systems/Computer-Data-and-Systems/Electronic-Clinical-Templates/DMEPOS-Templates/DMEPOS-Power-Mobility-Device.html>. (last visited Jan. 25, 2018).

should be further developed to be shorter, more condensed and mandatory. Without CMS requiring the implementation of the CDEs into EHRs, including the PMD CDE, this effort will remain stalled, and the process will never be streamlined and efficient.

CMS should also evaluate the current LCD requirements to determine where adjustments could be made to ease the process. For example, the same physician/prescriber is required to sign all documents for a patient. Often in a clinic or office setting, it would make sense for a rotating physician to be able to sign for patients that are in the process. Given the very tight timeframe for the entire order to delivery, it would be sensible to allow an individual in the same practice to sign documents.

Although much of the process has been outlined by CMS, the MAC review process is still subjective and differs across the DME MACs. Anything that can be done to ease this part of the process would go far in improving overall results. We recommend CMS look and measure how each DME MAC performs as it would be unusual for any one DME MAC to have a significantly higher non-affirmation rate. If one is detected it should be reviewed to analyze their interpretation of policies and regulations.

To better understand the impact PMD PA Demonstration has had on the appeals program, AAHomecare recommends CMS evaluate the volume of appeals of PMDs pre- and post- demonstration. Since appeals are essentially eliminated with a good PA process, we believe the demonstration has had a positive impact on the Medicare program.

### III. Prior Authorization Expansion Recommendations

AAHomecare recommends CMS to extend the PMD PA demonstration beyond the August 31, 2018 deadline or immediately transition all PMDs in the PMD PA Demonstration to Medicare's Prior Authorization Process for Certain DMEPOS Items, requiring nationwide prior authorization for PMDs before the conclusion of the demonstration on August 31, 2018.

The supplier community is in support of a well-designed PA program that streamlines services and improves access to timely care for Medicare beneficiaries. However, CMS must consider not only the dollar value of a product, but also the longevity of the service. For example, aerosol medications, infusion medications, enteral therapy, urological and ostomy supplies tend to be needed on a long-term basis, often until the patient expires. If these types of services could be prior approved, it could alleviate large volumes of appeals for beneficiaries that have a chronic illness and long-term need of the services. In addition, product categories in total should be considered for prior approval. While oxygen concentrators are on the list, not all oxygen equipment is. If a beneficiary received a prior approval for oxygen therapy, then all items should be approved and all eliminated from the audit and appeal cycle that we have today.

The timing of the authorization process is a critical factor in determining which product categories should be considered. While a ten-day turnaround time may work for PMDs, it will not work for many items that are needed quickly. The industry is very supportive of a PA process that is efficient, electronic, and timely. Given most issues related to the PA process lie with the prescriber and their records, consideration should be given to requiring the prescriber to obtain the authorization prior to writing an order and sending to a supplier. In similar situations, the ordering physician for an MRI seeks the authorization, not the imaging facility or the patient and the surgeon's office seeks the authorization for a surgery, not the facility or the patient. Like

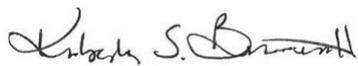
these cases, for DMEPOS, it is the prescriber's records and recommendation that are needed for an authorization to be issued.

Prior authorization processes must be PRIOR to a service being rendered. A pre-claim review or a system where an authorization is not needed for the first 30 days will not work for the DMEPOS industry.

Overall, PMD PA Demonstration has been a successful program that has been beneficial for CMS, beneficiaries, and suppliers. We urge CMS to not let this important demonstration end this August. CMS must extend the PMD PA Demonstration beyond the August 31, 2018 deadline or immediately transition all PMDs in the PMD PA Demonstration to Medicare's Prior Authorization Process for Certain DMEPOS Items, requiring nationwide prior authorization for PMDs. While there are many opportunities to further improve this program, it is crucial that the PA process continues to be available for PMD.

We appreciate the opportunity to submit these comments. Please feel free to contact me if I can answer any questions about our comments above.

Sincerely,

A handwritten signature in black ink, appearing to read "Kimberley S. Brummett". The signature is fluid and cursive.

Kimberley S. Brummett, MBA  
Vice President of Regulatory Affairs  
American Association for Homecare