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March 6, 2023

The Honorable Chiquita Brooks-LaSure Administrator Centers for Medicare & Medicaid Services U.S. Department of Health and Human Services Hubert H. Humphrey Building, Room 445–G 200 200 Independence Avenue, SW Washington, DC 20201

## Re: Calendar Year (CY) 2024 Advance Notice of Methodological Changes for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies

Dear Administrator Brooks-LaSure:

On behalf of the physician and medical student members of the American Medical Association (AMA), I appreciate the opportunity to comment on the Centers for Medicare & Medicaid Services (CMS) Calendar Year (CY) 2024 Advance Notice of Methodological Changes for Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies (CMS-2023-0010-0001), issued on February 1, 2023.

The AMA believes that the proposed removal of 2,269 unique codes from the Hierarchical Condition Category (HCC) model warrants further exploration and consideration with input from physicians and other relevant stakeholders.

In particular, we urge the Agency to consider the following:

- Given the extensive proposal to remove 2,269 codes in a single year, we urge CMS to conduct a transparent process in which stakeholders can evaluate and submit comprehensive feedback on the codes proposed for removal. We believe this approach would appropriately weigh CMS' interest in taking a closer look at specific codes as being more variant while performing the necessary due diligence to ensure that appropriate clinical complexity is retained. Maintaining adequate code complexity is important to ensure physicians have the necessary tools to code with accuracy to achieve optimal patient outcomes and avoid potential unintended consequences, such as delayed diagnoses. This would also align with other CMS processes for collecting stakeholder feedback on specific codes or measures proposed for removal through the formal rulemaking process. Given the number of codes proposed for removal, we do not believe 34 days is sufficient time for stakeholders to appropriately evaluate, run any necessary modeling, and provide sufficiently detailed feedback. Accordingly, we urge the Agency to allow additional time to solicit and consider stakeholder feedback before finalizing removal of these codes.
- Similarly, the AMA believes enhanced transparency around the data and methodologies used to select codes and estimate the impact of these changes would be beneficial and allow

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> **stakeholders to provide detailed insights that may help to further refine these projections.** In particular, we would appreciate more information about what years of data were used for this analysis and the extent to which the data may have been impacted by the COVID-19 pandemic.

• If it has not been done so already, we encourage CMS to conduct further modeling to assess the downstream impact these coding changes may have on quality measures, as well as any potential disproportionate impact on specific patient populations, including those that have been historically underserved or minoritized. We also believe it would be important to share these results with the public. For example, we believe it would be valuable to isolate the impact on Medicare-Medicaid dually eligible beneficiaries, special needs plans, and Special Supplemental Benefits for the Chronically III, as well as to consider the impact on specific disease populations, such as those living with diabetes and other chronic conditions.

Given the scope of the proposal and its potential impact on physicians and patients, we urge CMS not to move forward with removing the 2,269 codes until the recommendations above are addressed. We remain committed to working with the Agency toward solutions that improve the accuracy of risk adjustment methodologies while ensuring physicians have the appropriate tools to provide their patients with the best possible care.

We appreciate the opportunity to provide these comments. Please contact Margaret Garikes, Vice President of Federal Affairs, at margaret.garikes@ama-assn.org or 202-789-7409 with any comments or questions about the content of this letter.

Sincerely,

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James L. Madara, MD