



Charles N. Kahn III
President and CEO

January 4, 2021

The Honorable Seema Verma
Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Hubert H. Humphrey Building 200 Independence Avenue, S.W.
Room 445-G
Washington, DC 20201

**Re: CMS-1736-FC Medicare Program: Hospital Outpatient Prospective Payment
and Ambulatory Surgical Center Payment Systems and Quality Reporting
Programs**

Dear Administrator Verma:

The Federation of American Hospitals (FAH) is the national representative of more than 1,000 leading tax-paying hospitals and health systems throughout the United States. FAH members provide patients and communities with access to high-quality, affordable care across settings in both urban and rural areas. Our members include teaching and non-teaching, acute, inpatient rehabilitation, behavioral health, and long-term care hospitals. They provide a wide range of acute, post-acute, emergency, children's, cancer care, and ambulatory services.

The FAH appreciates the opportunity to provide comments to the Centers for Medicare and Medicaid Services ("CMS") regarding the calendar year (CY) 2021 Hospital Outpatient Prospective Payment System (OPPS) Final Rule with comment. Comments in the final rule are limited to payment classifications assigned to the interim APC assignments and/or status indicators of new or replacement Level II healthcare common procedure (HCPCS) codes. These codes are marked with a comment indicator of "NI" in Addendum B of the CY 2021 OPPS final rule.

Our comments concern the new HCPCS codes for COVID-19 vaccine administration: 0001A, 0002A, 0011A and 0012A and any additional codes that CMS may activate for COVID-19 vaccine administration in CY 2021. The interim APC assignments in the CY 2021 final rule for administering the 1st dose of the vaccine (0001A and 0011A) are assigned to APC 1492

which has a payment rate of \$15.50. The interim APC assignments for administering the 2nd dose of the vaccine 0002A and 0012A are assigned to APC 1493 which has a payment rate of \$25.50. These APCs are respectively “New Technology-Level 1B” and “New Technology-Level 1C”.

It is unclear to us why CMS would have assigned these codes for vaccine administration to new technology APCs and pay differently for the first and second administration that are provided in separate encounters. New technology APCs are for services where CMS “lack[s] sufficient clinical information and cost data to appropriately assign them to a clinical APC group...” (85 FR 85872). While the COVID-19 vaccine may be new, vaccine administration is not a new technology. Nor is it expected to be low in volume as the public policy goal is to have as many Americans as possible be immunized with a COVID-19 vaccine in the coming months.

CMS will generally assign a new code to a clinical APC based on a similar service. Here the comparable services would be G0008-G0010 that are, respectively, influenza, pneumococcal, or hepatitis B vaccine administration. Both the first and second injection of COVID-19 is a straightforward injection into a patient’s arm similar to HCPCS codes G0008-G0010 that are assigned to APC 5691 (Level 1 Drug Administration) and pays \$40. There is no resource difference between administering the first and second dose of a COVID-19 vaccine. Moreover, for several reasons, including requirements for cold storage for at least one vaccine as well as personal protective equipment, costs associated with COVID-19 vaccine administration are generally higher than other preventive Medicare vaccines. Therefore, we respectfully request that CMS assign any codes that will become active on January 1, 2021 or later for the administration of a COVID-19 vaccine to APC 5691.

Further, CMS’s practice for new codes given interim APC assignments in the OPPS final rule is to “finalize the SIs and APC assignments for the codes in the next OPPS/ASC final rule with comment period.” (85 FR 85930). Such a policy would mean that CMS would not change the payment amount for administering a COVID-19 vaccine until January 1, 2022. As Medicare beneficiaries are among those prioritized to first receive a COVID-19 vaccine, it is imperative CMS change the APC assignment for a COVID-19 vaccine administration to the earliest possible date. We urge CMS, therefore, to reconsider its past practice and reassign the COVID-19 vaccine administration codes effective January 1, 2021 to APC 5691 to help provide hospitals with sufficient resources to effectively and rapidly administer as many COVID-19 vaccines as possible.

Thank you for your consideration. If you have any questions regarding our comments, please do not hesitate to contact me or a member of my staff at (202) 624-1534.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark H. Miller, MD".