



June 9, 2023

Chiquita Brooks-LaSure  
Administrator  
Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
7500 Security Boulevard  
Baltimore, Maryland 21244

Re: CMS-1785-P, FY 2024 Hospital Inpatient Prospective Payment Systems and the Long-Term Care Hospitals Prospective Payments Systems Proposed Rule

Dear Administrator Brooks-LaSure,

On behalf of the National Alliance to Impact Social Determinants of Health (NASDOH), we thank you for the opportunity to provide comments on the fiscal year (FY) 2024 Hospital Inpatient Prospective Payment Systems (IPPS) and Long-Term Care Hospitals (LTCH) Prospective Payment Systems (PPS) proposed rule. NASDOH is a group of stakeholders working to systematically and pragmatically build a common understanding of the importance of addressing social needs as part of an overall approach to health improvement. NASDOH brings together health care, public health and social services expertise, local community experience, community-convening competence, business and financial insight, technology innovation, data and analytics competencies, and policy and advocacy acumen to assess and address current regulatory frameworks, funding environments and opportunities, and practical challenges to implementing and sustaining efforts to address social determinants of health (SDOH).

NASDOH continues to be extremely appreciative of CMS's commitment to ensuring that Medicare beneficiaries' social risks and needs are being identified, appropriately documented, and accounted for in CMS programs given the impact they can have on individual's overall health. Similarly, we support CMS' efforts to promote health equity and develop a comprehensive approach to measure and analyze disparities across its programs and policies. NASDOH recommends the following in response to the request for comments in the Hospital IPPS and the LTCH PPS Proposed Rule proposed rule:

#### **Health Equity Update**

*CMS suggested it is considering adding SDOH-related measures to the LTCH quality reporting program (QRP), and notes this would further the National Quality Strategy and align quality measures across programs as part of the Universal Foundation.*

NASDOH applauds CMS for its strategic commitment to health equity. The [National Quality Strategy](#) includes a goal related to advancing equity and engagement for all individuals. Its aim is to reduce health disparities and promote equitable care for all by using standardized methods for collecting, reporting, and analyzing health equity data across CMS quality and value-based programs. NASDOH also encourages CMS to advance the Universal Foundation effort and make progress on its quality strategy "success target" of incorporating equity into the measurement strategy of every CMS quality and value-based program by requiring that federal health care programs require entities to use a standard set of health equity and SDOH-related quality measures in their reporting. NASDOH encourages CMS to consider adopting the set of measures it finalized in the FY 23 IPPS and LTCH final rule consistently across programs. These include: Hospital Commitment to Health Equity (HCHE);

Screening for Social Drivers of Health (SDOH-1); and, Screen Positive Rate for Social Drivers of Health (SDOH-2).

**Proposal to Revise the Hospital Value-Based Purchasing (VBP) Program Scoring Methodology to Add a New Adjustment That Rewards Hospitals Based on Their Performance and the Proportion of Their Patients Who Are Dually Eligible for Medicare and Medicaid**

*To further align with its goals to achieve health equity, address health disparities, and close the performance gap on the quality of care, CMS is proposing to add Health Equity Adjustment bonus points to a hospital's Total Performance Score (TPS) to reward excellent care for underserved populations beginning in the FY 2026 program.*

NASDOH supports CMS proposal to utilize health equity-focused scoring modifications in the VBP Program to create better health outcomes for all populations. CMS notes that dual enrollment status (DES) in both Medicare and Medicaid is a strong predictor of poorer healthcare outcomes in Medicare's value-based purchasing (VBP) programs, even when accounting for other social and functional risk factors, and that it represents one way to capture common socioeconomic challenges that could affect an individual's ability to access care. NASDOH supports CMS' proposal to define the points that a hospital can earn based on its performance and proportion of patients with DES as the Health Equity Adjustment (HEA) bonus points.

**PPS-Exempt Cancer Hospital Quality Reporting Program (PCHQR)**

*CMS proposes to adopt four new measures for the PCHQR Program including three health equity-focused measures: the Facility Commitment to Health Equity measure, the Screening for Social Drivers of Health measure, and the Screen Positive Rate for Social Drivers of Health measure.*

NASDOH supports CMS' proposal to include the three health equity-focused measures in the PCHQR Program.

- **Proposal To Adopt the Facility Commitment to Health Equity Measure Beginning With the FY 2026 Program Year**

NASDOH supported the addition of the Facility Commitment to Health Equity measure in the FY2023 Medicare Hospital Inpatient Prospective Payment System (IPPS) and Long-Term Care Hospital (LTCH) Prospective Payment System (PPS) proposed rule and supports adding it to the PPS-Exempt Cancer Hospital Quality Reporting Program as well. We agree with CMS that this structural measure is an important first step toward health equity in hospitals and catalyzing important work to improve preventable health disparities. We support CMS adding this measure in the PCHQR program and also strongly encourage CMS to consider what will come next – including how it will move beyond this measure to assess whether hospitals are making the needed investments in workforce training, leadership development, and other related areas essential to improve equity and health outcomes. CMS notes that this measure is not intended to encourage hospitals to take action on any one given element, but instead to analyze their data to understand many factors to deliver more equitable care. It is essential that we quickly move beyond assessing structures to assessing action taken and impact to ensure that our efforts are achieving the health equity and disparities reduction goals to which CMS is committed.

- *Proposal To Adopt the Screening for Social Drivers of Health Measure Beginning With Voluntary Reporting in the FY 2026 Program Year and Mandatory Reporting in the FY 2027 Program Year AND Proposal To Adopt the Screen Positive Rate for Social Drivers of Health Beginning With Voluntary Reporting in the FY 2026 Program Year and Mandatory Reporting in the FY 2027 Program Year*

NASDOH supported the inclusion of both proposed measures: “Screening for Social Drivers of Health” and “Screen Positive Rate for Social Drivers of Health” in the Inpatient Prospective Payment System (IPPS) rule for FY2023, and recommends that CMS also apply these measures to the PCHQR Program. We agree with the justification cited by CMS in its proposed rule, including that the measures: advance health equity by addressing the health disparities that underlie the country’s health system; make visible to the healthcare system the impact of food insecurity and other drivers of health on patients – including fueling health disparities; support hospitals and health systems in actualizing their commitment to address disparities and implement associated equity measures to track progress; encourage meaningful collaboration between healthcare providers and community-based organizations to screen and connect patients to the resources they need to be healthy; and, guide future public and private resource allocation to promote collaboration between hospitals and health systems and invest in leveraging assets and addressing capacity and other gaps in the community resource landscape.

#### **Proposed Changes to the Severity Level Designation for Z Codes Describing Homelessness**

*CMS proposes to change the severity level designation for diagnosis codes Z59.00 (Homelessness, unspecified), Z59.01 (Sheltered homelessness), and Z59.02 (Unsheltered homelessness) from non-complication or comorbidity (NonCC) to complication or comorbidity (CC) for FY 2024.*

NASDOH supports CMS’ proposal to change the severity level designation for Z codes describing homelessness. CMS stated in the FY 2023 IPPS/LTCH PPS final rule that if SDOH Z codes are not consistently reported in inpatient claims data, its methodology utilized to mathematically measure the impact on resource use may not adequately reflect what additional resources were expended by the hospital to address these SDOH circumstances in terms of requiring clinical evaluation, extended length of hospital stay, increased nursing care or monitoring or both, and comprehensive discharge planning. For that reason, CMS proposes this change to recognize that homelessness is an indicator of increased resource utilization in the acute inpatient hospital setting. NASDOH agrees with CMS’ assertion and encourages CMS to continue to consider how other SDOH-related Z codes may also be indicators of increased resource utilization and therefore in need of an updated diagnosis code from NonCC to CC.

NASDOH appreciates the opportunity to comment on these important proposals. For more information on NASDOH and our members, please visit our website at [www.nasdoh.org](http://www.nasdoh.org) or contact Sara Singleton at [Sara.Singleton@leavittpartners.com](mailto:Sara.Singleton@leavittpartners.com).

Sincerely,

***Sara Singleton***

Sara Singleton  
Principal, Leavitt Partners and Advisor to NASDOH