AMERICA'S PHYSICIAN GROUPS

September 15, 2025

Mehmet Oz, MD
Administrator, Centers for Medicare & Medicaid Services
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

Submitted via https://www.regulations.gov/document/CMS-2025-0306-0002

Re: Medicare and Medicaid Programs: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems; Quality Reporting Programs; Overall Hospital Quality Star Ratings; and Hospital Price Transparency [CMS-1834-P]

Dear Administrator Oz:

America's Physician Groups (APG) appreciates the opportunity to respond to the Centers for Medicare & Medicaid Services' (CMS) 2026 Proposed Rule on the Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems; Quality Reporting Programs; Overall Hospital Quality Star Ratings; and Hospital Price Transparency. We welcome the agency's openness to stakeholder input and its ongoing commitment to improving health care for all Americans.

Below, APG will first provide (I) a brief description of our organization, followed by (II) a summary of CMS's proposed rule, (III) a summary of APG's recommendations, (IV) our fuller comments and recommendations, and (V) our conclusion. Together they reflect the voice of APG's membership and the commitment to working with the agency to ensure that all Americans have consistently accessible, high-quality, equitable, person-centered health care.

I. About America's Physician Groups

APG is a national association representing approximately 340 physician groups that are committed to the transition to value, and that engage in the full spectrum of alternative payment models and capitated and delegated relationships with health plans in Medicare Advantage (MA). APG members collectively employ or contract with approximately 260,000 physicians (as well as many nurse practitioners, physician assistants, and other clinicians), and care for approximately 90 million patients, including an estimated 1 in 4 Americans and 1 in 3 MA enrollees.

Our motto, "Taking Responsibility for America's Health," underscores our members' preference for being in risk-based, accountable, and responsible relationships with all payers, rather than being paid by plans on a fee-for-service basis. Delegation of risk from all payers to providers creates the optimal incentives for our groups to provide integrated, coordinated care; make investments in innovations in care delivery; advance health equity; and manage our populations of patients in more constructive ways than if our members were merely compensated for the units of service that they provide.

II. CMS Proposed Rule

In the proposed rule, CMS proposes updates to Medicare payment policies and rates for hospital outpatient and Ambulatory Surgical Center (ASC) services under the Hospital Outpatient Prospective Payment System (OPPS) and ASC Payment System Proposed Rule for calendar year (CY) 2026. CMS published this proposed rule consistent with the legal requirements to update Medicare payment policies for hospital outpatient and ASCs annually.

III. Summary of APG's Recommendations

A. Recommendations Related to Inpatient Only List

- **APG recommends that CMS finalize the proposal to phase out the Inpatient Only List (IPO) over a three-year period leaving the choice of site of service to Medicare beneficiaries and their physicians.**

B. Recommendations Related to Voluntary Excessive Radiation Dose or Inadequate Image Quality for Diagnostic Computed Tomography Measure

- **APG recommends that CMS to maintain the Excessive Radiation Dose or Inadequate Image Quality for Diagnostic Computed Tomography (CT) measure as a mandatory reporting requirement in the Hospital Outpatient Quality Reporting (OQR) Program.**

IV. APG's Detailed Comments and Recommendations

A. Inpatient Only List

CMS proposes to phase out the Inpatient Only List (IPO) over a three-year period, starting with the removal of 285 mostly musculoskeletal procedures for CY 2026. The IPO, created by CMS in 2000, features a fluctuating number of 1,700 to 1,800 procedures deemed too serious and complex to perform on an outpatient basis, owing to the risk of complications, infection, and other issues. Medicare only reimburses providers for the procedures on the IPO when they are performed on an inpatient basis. The IPO applies only to FFS Medicare; MA plans can reimburse for these procedures when they are performed in other settings or maintain their own inpatient-only lists.

CMS notes that the proposed changes are intended to "give beneficiaries more choices on where to obtain care with the potential for lower out-of-pocket costs" and that "evolutions in the

practice of medicine allows more procedures to be performed on an outpatient basis with a shorter recovery time." The proposal will allow Medicare to pay for services performed in hospital outpatient settings when clinically appropriate, granting physicians additional flexibility in determining the most appropriate service site.

APG supports CMS's proposal to phase out the IPO. Given that MA plans, employer-based insurance, and other payers can opt to reimburse for procedures on the IPO when they are performed in other settings it makes sense to reconsider the appropriateness of the IPO for FFS Medicare. APG members believe that the choice of site of service for a procedure is best decided on a case-by-case basis based on the unique needs and preferences of each patient in consultation with his or her physician and other clinicians.

- **APG recommends that CMS finalize the proposal to phase out the Inpatient Only List (IPO) over a three-year period leaving the choice of site of service to Medicare beneficiaries and their physicians.**

B. Excessive Radiation Dose or Inadequate Image Quality for Diagnostic Computed Tomography Measure

CMS proposes changing the reporting requirement from mandatory to voluntary for the Excessive Radiation Dose or Inadequate Image Quality for Diagnostic Computed Tomography (CT) in adults electronic clinical quality measure (eCQM), beginning with the CY 2027. CMS notes that the modification will provide the agency with additional time to monitor progress on implementation of the measure, including data collection burden and response rates.

APG **strongly urges CMS to maintain the Excessive Radiation Dose or Inadequate Image Quality for Diagnostic Computed Tomography (CT) measure as a <u>mandatory</u> reporting requirement** in the Hospital Outpatient Quality Reporting (OQR) Program. APG opposes the proposed change to make this critical quality measure voluntary on an indefinite basis, as doing so would undermine efforts to standardize practices and protect patients from preventable cancers.

Standardized measurement is a proven driver of quality improvement, and consistent application of this measure across all outpatient hospitals is essential to ensuring that CT radiation doses are optimized for patient care. While diagnostic CT imaging provides indisputable, often life-saving benefits, the historical lack of standardization and oversight has resulted in radiation doses that are highly variable, frequently unoptimized, and often higher than necessary for diagnosis. This variability in dosing practice is unacceptable, especially given the scale of CT usage in the U.S., with more than 90 million CT exams performed in 2024 alone.

The potential consequences of excessive radiation exposure are clear and devastating. Studies have shown that unnecessarily high doses of radiation from CT imaging can lead to tens of thousands of preventable, iatrogenically induced cancers each year. The thresholds outlined in this Excessive Radiation Dose or Inadequate Image Quality measure provide hospitals with vital guardrails to optimize CT imaging practices, helping to ensure both patient safety and diagnostic accuracy. By adhering to these limits, hospitals can protect tens of thousands of patients annually from harmful radiation

exposure while maintaining high-quality care.

APG commends CMS for its leadership in incentivizing appropriate dose reductions and optimizing imaging practices. The continued inclusion and mandatory reporting of this measure are essential to achieving meaningful improvements in patient safety and quality of care.

APG urges CMS to stay the course and maintain this measure as a mandatory requirement in the Hospital OQR Program. **Making it optional would be a step backward, weakening efforts to reduce unnecessary radiation exposure and compromising patient safety nationwide.**

- **APG recommends that CMS to maintain the Excessive Radiation Dose or Inadequate Image Quality for Diagnostic Computed Tomography (CT) measure as a mandatory reporting requirement in the Hospital Outpatient Quality Reporting (OQR) Program.**

V. Conclusion

APG thanks CMS for the agency's commitment to ensuring that the Medicare program continues to address stakeholder concerns and meet the needs of all beneficiaries. We look forward to working with CMS as the proposals in this proposed rule are refined and finalized.

Sincerely,

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