



healthcare financial management association

April 2, 2020

Alexander Azar
Secretary of Health and Human Services
Hubert H. Humphrey Building
200 Independence Ave S.W.
Washington, DC 20201

Steven Mnuchin
Secretary of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Eugene Scalia
Secretary of Labor
200 Constitution Ave NW
C-2318
Washington, DC 20210

Re: Measures to Increase Provider Capacity and Reduce Administrative Burden During COVID-19 National Emergency

Dear Secretary Azar, Secretary Mnuchin and Secretary Scalia:

On behalf of the Healthcare Financial Management Association's (HFMA's) 53,000 members, I would like to thank you for regulatory flexibility to respond to the COVID-19 pandemic the administration afforded physicians and hospitals when it used its section 1135 waiver authority to remove regulatory constraints to increasing inpatient capacity. While we believe the increased flexibility has helped create some additional capacity, there is still more the administration could do to reduce administrative barriers and free up scarce provider resources.

As you are well aware, public insurers (regulated by the Centers for Medicare and Medicaid Services [CMS]) and private insurers (regulated by the Departments of Health and Human Services [HHS], the Department of Labor, and the Internal Revenue Service) – hereafter referred to as the “tri-agencies”, use a variety of administrative processes to oversee and ensure compliance of medically necessary services delivered by physicians and hospitals. Under the current circumstances, we believe these processes are excessive and place significant demands on scarce caregiver resources.

HFMA's hospital members have adopted the recommendations of HHS and CMS to suspend elective procedures at hospitals, ambulatory surgery centers and outpatient clinics to limit the number of patients who may become exposed to COVID-19 by entering our facilities, create additional inpatient capacity and conserve personal protective equipment (PPE). It is these elective procedures that many of the utilization management strategies discussed below are intended to ensure are appropriate.

As a result of canceling elective procedures, HFMA members' hospitals are experiencing a significant decline in patient volumes. Because of this, HFMA members are asking the Secretaries of the tri-agencies to exercise their powers to mandate all public and private insurers eliminate administrative policies that typically increase burdens to clinicians and administrative personnel and ensure claims are processed promptly to provide hospitals the liquidity needed to cover increased expenses related to the COVID-19 pandemic. Our members recommend that the following be enacted at a federal level immediately and through this national emergency period:

1. Medical records – Payers will ask for copies of medical records to complete reviews prepayment and postpayment to review care plans and validate the clinical judgment of our providers. We ask that all payers be mandated to suspend requests for medical records.
2. Peer-to-peer physician reviews – Payers will ask for attending physicians to consult with a health plan chief medical officer to review justification for an inpatient admission. We ask that all payers be mandated to suspend requests for peer-to-peer physician reviews and allow our clinicians to be the ultimate decisionmaker for admission(s) and treatment(s).
3. Precertification / Preauthorization – Payers will require a preauthorization for some procedures before approving an inpatient admission. We ask that all payers be mandated to waive all precertification requirements or concurrent utilization review requirements. In addition, we ask that all preauthorizations that were obtained prior to discontinuing elective procedures be extended for a period of 90 days.
4. Appeal deadlines – With the severe disruption of administrative workforce and coordination with our clinicians now happening virtually, we ask that appeal deadlines be suspended for a period of 90 days. We prefer our clinicians remain focused on delivering life-sustaining care to both COVID-19 patients and those whose care is emergent.
5. Timely filing deadlines – With much of our administrative workforce being forced to work from home, it has caused significant business disruption. Most payers have an aggressive timeline for timely filing (i.e., billing within 30 days) whereas Medicare and Medicaid fee-for-service allow for claims processing up to one year. We ask the tri-agencies to set a standard timely filing policy for all payers – public and private – to extend all periods to one year from date of service.
6. Postpayment audits – We ask that the tri-agencies prohibit all payers from conducting post-payment audits for a period of 90 days. The only audits that should be addressed inside of that window would be redeterminations requested by beneficiaries or providers on their behalf.
7. Cost-sharing waivers – We ask that the tri-agencies not only eliminate cost-sharing for COVID-19 cases, but also waive the regulations of fraud and abuse related to waiving of cost sharing for all patients who are seen from the date of the national emergency declaration through the period that it is eventually lifted. This will relieve the burden to patients during this economic crisis.
8. Restrictions on patient transfers on ventilators – Some payers have limitations on transferring patients on ventilators to long-term acute care hospitals and require

hospitalization of at least 21 days. HFMA asks that HHS waive this requirement, so hospitals can transfer patients and open capacity for other patients as soon as possible.

9. 340B child sites – With the expansion of telehealth, health systems intend to serve patients who would historically be treated at a 340B child site. HFMA asks HHS to work with the Health Resources & Services Administration to allow for virtual health to be included as a child site and allow us to register outside of the quarterly registration process.

HFMA looks forward to any opportunity to provide additional assistance or comments to support the tri-agencies' response to the COVID-19 pandemic. As an organization, we take pride in our long history of providing balanced, objective financial technical expertise to Congress, federal agencies and advisory groups. If you have additional questions, you may reach me or Richard Gundling, Senior Vice President of HFMA's Washington, DC, office, at (202) 296-2920. The Association and I look forward to working with you.

Sincerely,



Joseph J. Fifer, FHFMA, CPA
President and Chief Executive Officer
Healthcare Financial Management Association

cc:

Seema Verma, Administrator, Centers for Medicare & Medicaid Services

About HFMA

HFMA is the nation's leading membership organization for more than 53,000 healthcare financial management professionals. Our members are widely diverse, employed by hospitals, integrated delivery systems, managed care organizations, ambulatory and long-term care facilities, physician practices, accounting and consulting firms and insurance companies. Members' positions include chief executive officer, chief financial officer, controller, patient accounts manager, accountant and consultant.

HFMA is a nonpartisan professional practice organization. As part of its education, information and professional development services, HFMA develops and promotes ethical, high-quality healthcare finance practices. HFMA works with a broad cross-section of stakeholders to improve the healthcare industry by identifying and bridging gaps in knowledge, best practices and standards.