



Wyoming Hospital Association

NEWS BRIEFS

Informational Newsletter for Wyoming Hospitals

Volume 51, Number 05

February 7, 2020

WHA Comment Letter to CMS Regarding MFAR

In November 2019, CMS issued new proposed rules and guidance on Provider Taxes and Upper Payment Limit programs. This new guidance is called the Medicaid Fiscal Accountability Regulation (MFAR). The proposed rules are onerous and could have very distinct and catastrophic consequences to hospitals, nursing homes and state budgets, if it is enacted in the proposed manner.

The Wyoming Hospital Association has been working closely with our national partners at the American Hospital Association on this issue. WHA has met with the Governor's office, the Wyoming Department of Health and had several phone calls with our Wyoming Congressional delegates.

WHA prepared and submitted comments to CMS on behalf of its members regarding MFAR. The following contains key points addressed in the letter. WHA is committed to serving in the best interest of its member organizations, and strives to ensure they are aware of advocacy efforts at the local, state and federal levels.

The agency asserts the proposed rule is intended to increase program transparency; however, it goes far beyond this purported objective. It proposes significant policy changes to health care-related taxes (provider taxes), bona fide provider donations, intergovernmental transfers (IGTs) and certified public expenditures (CPEs).

The rule also would restrict states' use of certain provider supplemental payments, which are critical to ensuring access to care by making up for base rates that are well below the cost of providing care. The agency also proposes to change the review process

for supplemental payment programs and provider tax waivers.

Finally, the agency would grant itself unfettered discretion in evaluating permitted state financing arrangements through vague new concepts, such as "totality of circumstances," "net effect" and "undue burden."

These vague standards for determining compliance are contrary to the legal requirements of administrative law because they will make it impossible for a state to know whether its program complies with the Medicaid statute.

The 75 million individuals who rely on the Medicaid program as their primary source of health coverage are the most at risk as a result of the proposed regulatory requirements. Medicaid pays for approximately half of the births in the country, as well as care for almost half of all children and adults with special health care needs, such as physical and developmental disabilities, dementia, and serious mental illness.

The magnitude of financial loss to the program as a result of this rule would force states to make untenable choices regarding eligibility, benefits and provider reimbursement.

Each of these choices is fraught with negative consequences, such as: eligibility rollbacks that would thwart important public health interventions, reduced benefits that would adversely affect the quality of care, and reduced provider reimbursement that would jeopardize access to care.

MFAR goes far beyond increasing transparency. Instead, it restricts state access to important funding streams, restricts states' ability to make supplemental payments to offset base

payments set below the cost of providing care, and introduces significant uncertainty with respect to how CMS will evaluate state financing approaches.

These proposed changes would have devastating consequences for the Medicaid program. Nationally, the Medicaid program could face total funding reductions between \$37 and \$49 billion annually, or 5.8% to 7.6% of total program spending.

Hospitals specifically could experience reductions in Medicaid payments of \$23 billion to \$31 billion annually, representing 12.8% to 16.9% of total hospital program payments.

Although the impact at the individual state level will vary significantly, in nearly all states this rule would unquestionably result in program enrollment and covered services. The impact in some states could be catastrophic. CMS has provided little or no analysis to justify these policy changes, and it has declined to assess the impact on beneficiaries and the providers who serve them.

Many of the changes would violate the Medicaid statute or are arbitrary and capricious in violation of the Administrative Procedure Act. Moreover, at the same time the agency is proposing these changes, it is planning to rescind rules requiring states to demonstrate Medicaid beneficiaries have sufficient access to care, thus weakening CMS's ability to ensure adequate oversight of the program.

A copy of the entire comment letter sent to CMS can be found at the WHA website Education Link. <https://www.wyohospitals.com/wp-content/uploads/2020/02/4830-0116-85613-MFAR-Comment-WY.pdf>



CRMC Earns Top Five-Star Quality Rating from CMS



Cheyenne Regional Medical Center officials announced that the hospital has earned a top five-star overall quality rating from the federal Centers for Medicare & Medicaid Services.

According to CMS, the overall hospital rating shows how well each hospital performed, on average, compared to other hospitals in the United States. The rating ranges from one to five stars, with five being the highest. The most common overall hospital rating is three to four stars.

“At Cheyenne Regional Medical Center, our mission is to inspire great health. Being rated by CMS as a five-star hospital is a significant achievement that demonstrates our commitment to providing exceptional care and helping our community achieve

better health,” CRMC President and Chief Executive Officer Timothy Thornell said. “When combined with our other recent quality awards, this rating indicates that our hospital and health system are providing high value care to our community. This recognition is something that not only our employees and medical staff, but our entire community should all be extremely proud of.”

CMS reviews more than 50 quality measures grouped into seven categories to evaluate hospitals. The categories that are the most heavily weighted are for mortality, safety of care, readmissions and patient experience. CRMC scored above national rates for preventing mortality as well as for safety and readmissions.

“This five-star CMS rating reflects the closely monitored, quality-driven performance improvement work that has taken place at Cheyenne Regional Medical Center over the past few years,” CRMC Chief Medical Officer Jeff Chapman, MD, said. “I want to thank our employees and all the providers at Cheyenne Regional Medical Center for providing the high level of comprehensive care that has resulted in this top national rating, which is the third major recognition that our hospital has received over the past year.”



Congratulations to Ivinson Memorial Hospital

Doug Faus serves as CEO of Ivinson Memorial Hospital, a 99-bed facility affiliated with Aurora, Colo.-based UHealth.

Under his leadership, the hospital was named one of the top 20 rural community hospitals in the U.S. in 2019 by the National Rural Health Association.

The Hospital was also recognized as one of the winners of the 2019 Wyoming Hospital Quality Awards, given by Mountain Pacific Quality Health, a quality improvement company.

Mr. Faus is also responsible for overseeing the hospital's Epic EHR implementation, which is set to go live this year.



Doug McMillan, CEO of Cody Regional Health, accepting the 2019 Rural Hospital Leadership Award from the American Hospital Association

