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June 10, 2025

Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-1833-P
P.O. Box 8013
Baltimore, MD 21244-8013

Dear Administrator Oz,

The Society of Hospital Medicine (SHM), representing the nation's nearly 50,000 hospitalists, appreciates the opportunity to provide comments on the proposed rule: Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Policy Changes and Fiscal Year 2026 Rates; Requirements for Quality Programs; and Other Policy Changes (CMS-1833-P).

Hospitalists are physicians whose professional focus is the general medical care of hospitalized patients. In addition to managing the clinical care of patients, hospitalists work to enhance the performance of their hospitals and health systems. The unique position of hospitalists in the healthcare system affords a distinctive role in facilitating both the individual physician-level and systems- or hospital-level performance agendas.

## **Hospital Readmissions Reduction Program (HRRP)**

CMS proposes adding Medicare Advantage beneficiaries to the Hospital Readmission Reduction Program (HRRP) 30-day readmission measures, which would increase the number of eligible patients being reported in these measures. SHM is concerned about potential unintended consequences stemming from the inclusion of Medicare Advantage patients in these measures. CMS has measures of readmissions for both hospitals and MA plans, meaning there are incentives and pressures on both types of organizations to reduce readmissions. However, hospitals and MA plans have very different tools to achieve performance on their respective measures. Unlike hospitals, MA plans can use denials of payment or reclassification of otherwise appropriate inpatient stays, including labeling a stay as a "continued stay," while it would otherwise be considered an all-cause readmission for the hospital. We are concerned that, in effect, a



hospital could get penalized twice—first by an MA denial and therefore non-payment for a hospital stay, and then from a readmission penalty. Other MA plan behaviors can also affect readmissions, such as prior authorizations and denials of care for post-acute care.

We strongly recommend CMS consider the interplay between Original Medicare performance measures with those of the MA program, including Star Ratings. CMS should not finalize this proposed inclusion of MA patients in the HRRP measures until they have ensured that hospitals are not penalized twice and that the incentives for both MA plans and hospitals are aligned.

# **Hospital Inpatient Quality Reporting (IQR) Program**

CMS proposes to remove three measures from the Inpatient Quality Reporting (IQR) program measure set: Hospital Commitment to Health Equity, Screening for Social Drivers of Health and Screen Positive Rate for Social Drivers of Health. These measures were developed to try to acknowledge and address social determinants of health—factors that influence and affect patients' experience of care and clinical outcomes. In proposing to remove these measures, CMS uses the rationale that the costs associated with performance in the measures outweigh the potential benefits of their continued use in the program.

When these measures were being developed, SHM broadly supported the concepts behind the measures, but raised concerns about some of the specific details and whether hospitals, or individual clinicians, could ultimately be held accountable to factors beyond their direct control. We also acknowledged that these measures created new or different expectations for hospitals and hospital-based clinicals to perform screenings on all patients and, ideally, connect patients with appropriate community-based resources if available. While imperfect, these measures created a national priority on addressing the whole needs of patients and encouraged an intertwining of clinical and community resources. These are still worthy goals that would benefit from more research and investigation.

We disagree with CMS' stated intention to only develop measures around Well-Being and Nutrition and believe that social drivers of health continue to require agency focus and attention. We urge the agency to consider new measures or measure/programmatic adjustments around this area. Hospitalists see firsthand how, for example, food and housing insecurity can impede a patient's recovery post-discharge or force hard choices about whether they can fill a prescription or pay for groceries. In some cases, impediments like these can lead to costly readmissions and poor clinical outcomes. CMS can be a leader in encouraging and empowering health systems to better understand and address social drivers of health, and better meet the needs of our patients and communities.



# Conclusion

SHM appreciates the opportunity to provide feedback on the Inpatient Prospective Payment System proposed rule. If you have any questions or require further information, please contact Josh Boswell, Chief Legal Officer at <a href="mailto:jboswell@hospitalmedicine.org">jboswell@hospitalmedicine.org</a>.

Sincerely,

Chad T. Whelan, MD, MHSA, SFHM

President, Society of Hospital Medicine