



AMERICAN ACADEMY OF
FAMILY PHYSICIANS
STRONG MEDICINE FOR AMERICA

March 16, 2011

Donald Berwick, MD
Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention:
P.O. Box 8016
Baltimore, MD 21244-1850

RE: CMS-2400-P

Dear Dr. Berwick:

On behalf of the American Academy of Family Physicians (AAFP), which represents more than 97,600 family physicians and medical students nationwide, I am writing in response to the “Medicaid Program; Payment Adjustment for Provider-Preventable Conditions Including Healthcare- Acquired Conditions” proposed rule as published in the February 17, 2011 Federal Register.

This proposed rule implements Section 2702 of the *Affordable Care Act* which, effective July 1, 2011, prohibits the U.S. Department of Health & Human Services from making federal payments to state Medicaid programs for health care-acquired conditions. This section also allows state Medicaid programs to identify other provider-preventable conditions for which Medicaid payment also would be prohibited.

The AAFP, a longstanding supporter of quality improvement efforts, has established [policy](#) that supports efforts to implement the best evidence-based guidelines to improve healthcare, including the ultimate goal of eliminating “never events” and Centers for Medicare and Medicaid Services identified healthcare acquired conditions. While preliminary evidence suggests that ideal systems of care can reduce or, in select cases, eliminate many of these events, substantial gaps in current evidence, systems of care, and scalable practices fail to conclude that all such outcomes are reasonably preventable. Moreover, little evidence links payment denial with improved outcomes.

Therefore, rather than abruptly deny payment for medical services, the AAFP instead supports incentives for performance improvement, including the implementation of robust systems to reduce reasonably preventable conditions. The Academy recommends the development of standard definitions—to apply across all Medicare, Medicaid, Children's Health Insurance Program, and private insurance programs—for never events and healthcare acquired conditions along with non-punitive reporting frameworks. In addition, the Academy recommends further research to delineate evidence-based practices that address such conditions in an actionable and scalable fashion for both inpatient and ambulatory settings.

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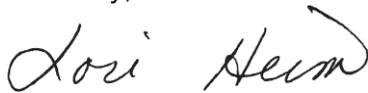
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The AAFP acknowledges the need for “present on admission” indicators to ensure that physicians or hospitals are not financially penalized for a previously acquired healthcare condition. However, the Academy urges CMS and the state Medicaid programs to consider potential unintended consequences.

The AAFP recognizes and regrets the short timeline under which this section of the *Affordable Care Act* becomes effective. Additional guidance is necessary from the agency to state Medicaid programs to fully implement lessons learned from the Medicare hospital acquired conditions and never event efforts. Given the July 1, 2011 effective date, the AAFP urges the agency to promptly publish a final rule and to then immediately begin an aggressive education and outreach campaign for patients and physicians. Streamlined and easily accessible guidance is needed, especially for those policies and procedures unique to a state’s Medicaid program.

We appreciate the opportunity to provide these comments and make ourselves available for any questions or clarifications you might need. Please contact Bruce Bagley, M.D., the AAFP medical director for quality improvement, at 913-906-6000 ext. 4120 or by email at bbagley@aafp.org.

Sincerely,

A handwritten signature in cursive script that reads "Lori Heim". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Lori J. Heim, MD, FAAFP
Board Chair