

April 3, 2017

Ms. Cheryl Ray, D.O., MBA, FACP
Lead Contractor, Medical Director, Medicare
Vice President Medicare Clinical
WPS Government Health Administrators
1717 W. Broadway
P.O. Box 1787
Madison, WI 53701

Dear Dr. Ray:

On behalf of our member hospitals, the Michigan Health & Hospital Association (MHA) is writing to express concern and seek relief in regard to the local coverage determination (LCD) changes that took effect Feb. 16, 2017, for polysomnography and other sleep lab studies. The recent LCD (L36839) included a major change from the previous LCD 34535, creating a separate section for sleep center or laboratory credentials and changing the option of accepting The Joint Commission (TJC) accreditation to specifying TJC sleep specific credentials for Ambulatory Care sleep centers.

This change is having a negative impact on Michigan's hospitals and the Medicare patients they serve since most of these facilities have historically relied on TJC as the required credentialing body for these services. Without the new specified sleep center or laboratory accreditation from TJC, WPS will not reimburse the hospital for Medicare claims for these services. Other accreditation options continue to be the American Academy of Sleep Medicine (AASM) or the Accreditation Commission for Health Care (ACHA) accreditation.

We believe there was inadequate notice and provider education regarding the recent LCD given the significant policy change. WPS considers the posting of new, revised or retired LCDs in its eNews to be sufficient for communicating with providers. We recognize that WPS continues to urge providers to sign up for the eNews service, however, these communications are sent through the eNews subscription and fail to reach providers that have not subscribed to this service. A search of the WPS website found four communications related to the draft and finalized LCD L36839.

- October 2016 Policy/Article Update, published Sept. 23, 2016
- October 2016 Draft LCD Open Meeting Notice, published Oct. 6, 2016
- "We Want Your Comments", published Oct. 10, 2016
- January 2017 Policy/Article Update, published Dec. 27, 2016

The change between the retired LCD 34535 and the new LCD L36839 is significant and providers had inadequate time to obtain the needed credentialing by one of the three bodies. The required notice period of 45 days did not allow hospitals adequate time to do this. We believe that it will generally take hospitals three to six months to obtain the necessary accreditation. As a result, **the MHA requests that WPS delay the enforcement of LCD 36839 until Jan. 1, 2018, to allow hospitals the time needed to obtain the accreditation.** In the meantime, WPS' enforcement of LCD 36839 will reduce access for Medicare beneficiaries for these important services. We are concerned that until enforcement is officially delayed by WPS, Medicare fee-for-service patients may be turned away from medically necessary diagnosis and treatment due to unfounded changes in coverage policy. These changes will likely result in some patients being asked to wait several months until the necessary accreditation is obtained by the hospital or the patient will be asked to travel a greater distance to obtain these services.

Brian Peters, Chief Executive Officer

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It is unclear what the added value to patients is for this new accreditation requirement. If there is a specific problem that WPS had identified, the MHA urges WPS to address that directly rather than having several organizations spend funds and time to obtain an accreditation that does not provide value for patients.

Again, the MHA appreciates this opportunity to provide input to WPS and believe that our recommended changes will have a positive impact for patients and providers. Please contact me if you have questions or require additional information. I can be reached via email at vkunz@mha.org or by phone at (517) 703-8608.

Sincerely,

A handwritten signature in black ink that reads "Vickie R Kunz". The signature is fluid and cursive, with "Vickie" on top, "R" in the middle, and "Kunz" on the bottom.

Vickie R. Kunz
Senior Director, Health Finance