APPENDIX D

Commissioners' voting on recommendations

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In the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, the Congress required MedPAC to call for individual Commissioner votes on each recommendation, and to document the voting record in its report. The information below satisfies that mandate.

Chapter 1: Evaluating Medicare's payment policies

No recommendations

Chapter 2: Updating payments for physician services and for care provided in hospital outpatient departments

2A The Congress should replace the sustainable growth rate system with an annual update based on factors influencing the costs of efficiently providing physician services.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

2B In implementing the update for physician services, the Congress should require Health Care Financing Administration to use a forecast of the change in input prices.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

2C The Secretary should not use an expenditure target to update the conversion factor in the outpatient prospective payment system or to update payments for other ambulatory care settings.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe, Smith*

2D The Congress should require an annual update of the conversion factor in the outpatient prospective payment system that is based on the relevant factors influencing the costs of efficiently providing hospital outpatient care, and not just the change in input prices.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

Chapter 3: Accounting for new technology in hospital prospective payment systems

3A In the outpatient payment system, the Secretary should develop formalized procedures for expeditiously assigning codes, updating relative weights, and investigating the need for service classification changes to recognize the costs of new and substantially improved technologies.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Raphael, Rosenblatt, Rowe*

3B In the outpatient payment system, pass-through payments for specific technologies should be made only when a technology is new or substantially improved and adds substantially to the cost of care in an ambulatory payment classification group.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Raphael, Rosenblatt, Rowe*

3C Pass-through payments in the outpatient payment system should be made on a budget-neutral basis and the costs of new or substantially improved technologies should be factored into the update to the outpatient conversion factor.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Raphael, Rosenblatt, Rowe*

3D For the inpatient payment system, the Secretary should develop formalized procedures for expeditiously assigning codes, updating relative weights, and investigating the need for patient classification changes to recognize the costs of new and substantially improved technologies.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

3E Additional payments in the inpatient payment system should be limited to new or substantially improved technologies that add significantly to the cost of care in a diagnosis related group and should made on a budget-neutral basis.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

Chapter 4: Developing input-price indexes for all health care settings

To implement an occupation-mix adjusted wage index in fiscal year 2005, the Secretary should collect data on wage rates by occupation in the fiscal year 2002 Medicare cost reports. Hospital-specific wage rates for each occupation should be supplemented by data on the mix of occupations for each provider type. The Secretary also should continue to improve the accuracy of the wage index by investigating differences in wages across areas for each type of provider and in the substitution of one occupation for another.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

Chapter 5: Financial performance and inpatient payment issues for PPS hospitals

5A The inpatient PPS operating update of market basket minus 0.55 percent set in law for fiscal year 2002 will provide a reasonable level of payments.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

5B In collecting sample patient-level data, HCFA should seek to balance the goals of minimizing payment errors and furthering understanding of the effects of coding on case-mix change.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

5C Although the Benefits Improvement and Protection Act of 2000 improved the equity of the hospital disproportionate share adjustment, Congress still needs to reform this adjustment by:

- including the costs of all poor patients in calculating low-income shares used to distribute disproportionate share payments, and
- using the same formula to distribute payments to all hospitals covered by prospective payment.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Newport, Raphael, Rosenblatt, Rowe*

5D The Congress should protect urban hospitals from the adverse effect of nearby hospitals being reclassified to areas with higher wage indexes by computing each area's wage index as if none of the hospitals located in the area had been reassigned.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Smith, Stowers, Wakefield, Wilensky*
Not Voting: *Reischauer*
Absent: *Newport, Raphael, Rosenblatt, Rowe*

Chapter 6: Prospective payment for post-acute care: current issues and long-term agenda

6A The Secretary should conduct an empirical study to assess the extent of substitution among post-acute care settings.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

6B While implementing the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 provision to develop patient assessment instruments with comparable common data elements, the Secretary should minimize reporting burden and unnecessary complexity while assuring that only necessary data are collected for payment and quality monitoring.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

6C The Secretary should develop for potential implementation a patient classification system that predicts costs within and across post-acute settings.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

6D The Secretary should conduct demonstrations to test the feasibility of including a larger scope of services in the payment bundle.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

6E The Secretary should develop a new classification system for skilled nursing facility care while continuing to monitor access and quality.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt*

6F Until a core set of common data elements for post-acute care is developed, the Secretary should require the Functional Independence Measure as the patient assessment tool for the inpatient rehabilitation prospective payment system.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

6G The Secretary should require a high-cost outlier policy of 5 percent for the inpatient rehabilitation payment system and study whether a different percentage policy is needed.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

6H The Secretary should reexamine the disproportionate share adjustment for the inpatient rehabilitation prospective payment system.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

6I In monitoring the performance of the payment system, the Secretary should pay particular attention to the use of significant change in condition payment adjustments and payments for patients with wound care needs.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

Chapter 7: Reconciling Medicare+Choice payments and fee-for-service spending

7A The Medicare program should be financially neutral as to whether beneficiaries enroll in Medicare+Choice plans or in the traditional Medicare program. Therefore, Congress should make Medicare payments for beneficiaries in the two sectors of a local market substantially equal, after accounting for risk.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

7B The Secretary should study variation in spending under the traditional Medicare program to determine how much is caused by differences in input prices and health risk and how much is caused by differences in provider practice patterns, the availability of providers and services, and beneficiary preferences. He should report to the Congress and make recommendations on whether and how the differences in use and preference should be incorporated into Medicare fee-for-service payments and Medicare+Choice payment rates.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

7C The Secretary should study how beneficiaries, providers, and insurers each benefit from the additional Medicare+Choice payments made in floor counties.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

7D In defining local payment areas, the Secretary should explore using areas that contain sufficient numbers of Medicare beneficiaries to produce reliable estimates of spending and risk.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Smith, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe*

Chapter 8: End-stage renal disease payment policies in traditional Medicare

8A The Congress should instruct the Secretary to broaden the composite rate payment bundle to include widely used services currently excluded from it. The Secretary should continue to emphasize quality monitoring and quality improvement efforts to ensure that patients have access to high-quality dialysis care.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

8B The Congress should instruct the Secretary to evaluate whether the composite rate's unit of payment—a single dialysis session—should be revised to reflect better the way dialysis is furnished.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

8C The Congress should instruct the Secretary to revise the outpatient dialysis payment system to account for factors that affect providers' costs to deliver high-quality clinical care, including dialysis method, dose, frequency, and patient acuity.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

8D The Congress should instruct the Secretary to develop a wage index based on market wage rates for occupations typically used in furnishing dialysis.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

8E For calendar year 2002, the composite rate for outpatient dialysis services should remain unchanged.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Smith*

Chapter 9: Reducing beneficiary coinsurance under the hospital outpatient prospective payment systems

Congress should continue the reduction in outpatient coinsurance to achieve a 20 percent coinsurance rate by 2010.

Yes Votes: *Braun, DeBusk, Hackbarth, Johnson, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Stowers, Wakefield, Wilensky*
Absent: *Rosenblatt, Rowe, Smith*

Chapter 10: Treatment of the initial residency period in Medicare's direct graduate medical education payments

The Congress should eliminate the weighting factors that currently determine Medicare's direct graduate medical education payments and count all residencies equally through completion of residents' first specialty or combined program and subspecialty if one is pursued. Residents training longer than the minimum number of years required for board eligibility in a specialty, combined program, or subspecialty should not be included in hospitals' direct graduate medical education resident counts. These policy changes should be implemented in a budget-neutral manner through adjustments to the per resident payment amounts.

Yes Votes: *Braun, Hackbarth, Loop, Nelson, Newhouse, Newport, Raphael, Reischauer, Rowe, Stowers, Wakefield, Wilensky*
Absent: *DeBusk, Johnson, Rosenblatt, Smith,*