MEMORANDUM

CMS' Request for Information: Burdens/Regulatory Impacts of Current Physician Self-Referral Law (the “Stark Law”)

On June 25, the Centers for Medicare & Medicaid Services (CMS) published a Request for Information (RFI) in the Federal Register, soliciting input on how to address any undue barriers or concerns arising from the application of the current Physician Self-Referral law (the “Stark Law”) to the agency’s efforts focusing on coordinated care. The agency acknowledges that the Stark Law, as currently constructed, affects the formation of alternative payment models, integrated delivery models and other arrangements designed to improve quality and reduce cost.

In this publication, CMS is requesting the public’s input on a number of areas, including, but not limited to:

- Existing arrangements between designated health service (DHS) entities and physicians participating in alternative payment models;
- Categories of parties to those arrangements (e.g., a hospital and a physician group) and how financial risk is borne by those parties;
- Specific items and services provided;
- Additional exceptions to the Stark Law that are needed;
- How a coordinated care arrangement would further the purpose of the alternative payment model;
- Various definitions of current terminology;
- Compensation that should be considered as “taking into account the volume or value of referrals”; and
- How transparency plays a role in the physician self-referral law; and
- Compliance costs for regulated entities.

Responses are due to CMS no later than Friday, Aug. 24 and comments may address any or all of the topic areas in the RFI.

IHA is forming a Medical Executive Forum subcommittee to focus on the Medicare Access and CHIP Reauthorization Act (MACRA) Quality Payment Program (QPP). Medicare payments for services beginning on or after Jan. 1, 2019 will be adjusted based on eligible clinicians’ performance, as reported to CMS through March 2018. This RFI and the opportunity to provide comments are examples of the advocacy work that will be undertaken by this subcommittee.

Thank you very much for your attention to this matter.

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