

September 15, 2025

Mehmet Oz, MD, MBA
Administrator Centers for Medicare & Medicaid Services
7500 Social Security Boulevard
Baltimore, MD 21244-1850

RE: Medicare and Medicaid Programs: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems; Quality Reporting Programs; Overall Hospital Quality Star Ratings; and Hospital Price Transparency (CMS-1834-P)

Administrator Oz:

On behalf of our membership, the American Thoracic Society (ATS) and the American College of Chest Physicians (CHEST) appreciate the opportunity to submit our shared comments on the Calendar Year (CY) 2026 Medicare Hospital Outpatient Prospective Payment rule (CMS-1834-P). Our societies represent over 30,000 pulmonary, critical care and sleep specialists dedicated to prevention, treatment, research and cure of respiratory disease, critical care illness and sleep disorders. Our members provide care to Medicare beneficiaries for a wide range of conditions including critical care illness, asthma, COPD, lung cancer, alpha-1 antitrypsin deficiency, pulmonary fibrosis, pulmonary hypertension, and other disorders of the lung, and sleep disorders including sleep apnea, narcolepsy and restless leg syndrome.

Transparency in APC Changes

The ATS and CHEST note, with no small amount of frustration, that reimbursement rates for some APCs can fluctuate significantly from year to year and from the proposed rule to final rules. These reimbursement rate changes are listed in the proposal rule payment tables, but there is no explanation provided for these changes in the text of the rule. To discover the root cause of the payment change, the public needs to individually open the supplemental addenda A and B data tables and compare the APC inputs from the proposed rule to current year to shed light on the likely cause of APC value fluctuations. In some cases, we find that a CPT code was changed from one APC group to another, with no rationale the change. At other times, we see that other CPT codes were either moved in or out of the APC and that is the reason for the change in the APC group rate.

However, discovering the potential cause of the payment change does not provide rationale for why the CPT or APC inputs have changed. The ATS and CHEST note that changes in APC inputs are not just merely a technical change, they represent an explicit policy change. As such, the APC changes should be noted in the proposed and CMS must provide some rationale as part of the proposed rule. For example, if a CPT code was moved from one APC to another, it should be noted as to what criteria led CMS to that change. Alerting the public to these important policy changes would greatly enhance the transparency of the CMS policy process and provide the public with opportunity to comment on and potentially refine CMS policy making. **For future rulemaking, ATS and CHEST recommend CMS explicitly articulate the addition or**

removal of services to APC groups, with the underlying criteria CMS chose for that move in the proposed rule and accept public comment on proposed APC changes.

We hope these comments are useful as CMS finalizes its 2026 Hospital Outpatient payment rule.

Sincerely,

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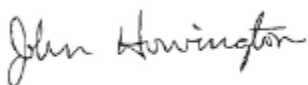
Laura K Frye, MD
ATS Co-chair
Joint ATS/CHEST Clinical Practice Committee

A handwritten signature in blue ink that reads "Amy Ahasic, MD". The signature is written in a cursive, lowercase style.

Amy Ahasic, MD
CHEST Co-Chair
Joint ATS/CHEST Clinical Practice Committee

A handwritten signature in blue ink that reads "Raed Dweik". The signature is written in a cursive, lowercase style.

Raed Dweik, MD, MBA
President
American Thoracic Society

A handwritten signature in black ink that reads "John Howington". The signature is written in a cursive, lowercase style.

John Howington MD, MBA
President
CHEST