



August 31, 2015

Mr. Andrew Slavitt
Acting Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attn: CMS-1633-P
P.O. Box 8013
Baltimore, MD 21244-1850

RE: Medicare Program: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs; Short Inpatient Hospital Stays; Transition for Certain Medicare-Dependent, Small Rural Hospitals under the Hospital Inpatient Prospective Payment System; Proposed Rule (80 Fed. Reg. 39200, July 8, 2015)

Dear Mr. Slavitt:

We are writing today on behalf of the undersigned organizations of the blood community representing the nation's blood centers, hospital-based blood banks and transfusion services, and transfusion medicine professionals to provide written comment on the proposed Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs; Short Inpatient Hospital Stays; Transition for Certain Medicare-Dependent, Small Rural Hospitals Under the Hospital Inpatient Prospective Payment System; Proposed Rule (80 Fed. Reg. 39200, July 8, 2015).

We wish to express our strong opposition to the severe reductions in proposed APC payment rates for blood and blood products. CMS has proposed slashing the payment for the most commonly transfused blood products by roughly 30 percent (e.g., 30.8 percent cut for leukocyte-reduced red blood cells (P9016)).

The current blood economy puts our nation's blood system at risk, even without accounting for the affordability of innovations and patient safety measures such as babesia testing and pathogen reduction technologies. Particularly in this environment, blood centers and hospitals cannot afford CMS' proposed cuts in blood product payments. We believe that the significant

cuts proposed by CMS will thwart efforts to introduce blood safety advances and be associated with negative consequences for maintaining the infrastructure to protect the “insurance value” of a robust blood supply.

The proposed payments lag behind hospital acquisition costs, even without accounting for hospital overhead expenses associated with providing blood products. . Furthermore, they are not in line with CMS’ own cost data, as reflected in the “Drug blood brachy cost statistic” files. Therefore, we urge CMS to recalculate the payment rates for individual blood products to align more with the 2014 geometric mean unit costs. In addition, we request that CMS work with stakeholders in the transfusion medicine community to consider potential alternative methodologies for setting APC payment rates for blood products. Payments for blood products must be sufficient to fund important new and forthcoming critical patient safety initiatives.

We thank you for the opportunity to comment on this proposed rule. Should you have any questions regarding these matters, please feel free to contact Theresa Wiegmann at AABB (301.215.6554, theresa_w@aabb.org), Christine Zambricki, at America’s Blood Centers (202.654.2902, czambricki@americasblood.org) or Liz Marcus (202.303.7980, liz.marcus@redcross.org) at the American Red Cross.

Sincerely,



Miriam A. Markowitz
Chief Executive Officer
AABB



Christine S. Zambricki, DNAP, CRNA, FAAN
Chief Executive Officer
America’s Blood Centers



J. Chris Hrouda
Executive Vice President
Biomedical Services
American Red Cross