Principles for Sound Local Coverage Policies

The development of sound and effective local coverage policies is driven by a framework that supports successful and consistent communication between Contractor Advisory Committee (CAC) representatives and Contractor Medical Directors (CMDs); inclusion of the most diverse and qualified candidates for input; transparency and adequate opportunities for comment; clear definition of articles and other supporting materials; and Contractor accountability that is measurable and enforceable, as further detailed in the principles below. These principles allow for Medicare providers to meaningfully participate in the process for developing policy that affects the care they can deliver, and ultimately ensure that Medicare beneficiaries receive the medically necessary care to which they are entitled.

Regular, Timely, and Accessible CAC Meetings

- Meaningful engagement of CAC representatives can be ensured through policies that establish minimum meeting frequency requirements for the full CAC to meet, and minimum CAC member participation thresholds.
- In-person or virtual CAC meetings between CMDs and CAC representatives should be provided on at least a quarterly basis, with sufficient notice and access for CAC representatives.
- In the case of in-person meetings, meetings should be set at a time and location that accommodates the majority of CAC representatives in that state or jurisdiction. Consideration should be given to limiting meetings to a state or narrowed geographic basis to provide for easier access for CAC representatives.

Meaningful Opportunity for CAC Representatives to Advise Contractors and CMS on Coverage and Billing Issues

- CMDs should cultivate an environment of open, frequent, informal, and productive contact with CAC representatives.
- Opportunities for formal contact between CMDs, CAC representatives, and other Contractor officials should be sufficiently frequent to allow for a sharing of ideas and two-way feedback.
- CAC representatives should be meaningfully engaged early and often throughout the local coverage policy development process, thereby allowing adequate review and input from CAC representatives on determinations and accompanying articles.
- Contractors should notify all CAC members of the convening of subject matter expert (SME) panels and offer CAC representatives the opportunity to work with their societies to nominate panelists.
- Contractors should allow all CAC representatives to comment, ask questions, and actively participate during multi-jurisdictional SME panels.
- CMS should establish an Ombudsman to field questions and concerns from the stakeholder community regarding local coverage policies and processes across all Contractor jurisdictions.
- Contractors and CMS should be responsive to CAC representatives' questions and feedback – including to address concerning coverage policies and related billing and coding guidance documents – in a timely manner.

Use of Objective Criteria in the Vetting and Selection of Individuals Included on Expert Panels

- Contractors should publicly announce plans to convene expert panels and utilize an open nomination process.
- Contractors should define and employ objective criteria in vetting and selecting SMEs to participate on expert panels, including clearly stating minimum necessary qualifications.

Transparency through Public Notice and Comment Opportunities for Local Coverage, Payment, or Other Policy Articles

- Articles that accompany LCDs and identify billing codes (e.g., Current Procedural Terminology (CPT) codes and International Classification of Diseases (ICD) codes) to designate procedures and diagnoses that are covered pursuant to the LCD inherently dictate coverage and should be subject to notice and comment.
- Articles accompanying draft LCDs should be issued at the same time as draft LCDs to allow for concurrent notice and comment.
- Other new articles, or any updates to existing articles reflecting non-routine changes in coding, such as elimination of diagnosis or procedure codes that would have the effect of limiting coverage, should also be subject to notice and comment.

60-Day Public Notice Period Before Policy Changes are Effectuated, including Changes to Covered CPT and ICD Codes

- Contractors should allow for a public notice period before policy or article changes take effect, to provide for adequate response, education, and preparation.

Clarity Regarding the Nature and Purpose of Any Local Coverage, Payment, or Other Policy Article, as Well as Regarding the Center and Group within the Centers for Medicare and Medicaid Services (CMS) Responsible for the Article

- Articles published by Medicare Administrative Contractors (MACs) to educate providers on local coverage, payment, and other policies should be clearly labeled by article "type" (e.g., "Billing and Coding," LCD-related, etc.).
- Articles that are not directly tied to an LCD should be removed from the Medicare Coverage Database and housed in a separate location on CMS' and Contractor's web sites.
- Articles should identify the Center and Group within the Agency responsible for promulgating each article, along with a named individual point of contact and corresponding contact information for submitting questions and concerns.

Transparency Regarding Contractor Performance Standards

- CMS should update Chapter 13 of the Medicare Program Integrity Manual to provide greater clarity and transparency regarding Contractor performance standards, including standards related to CAC engagement, timelines for developing and issuing draft LCDs following a request for a new LCD or redetermination request.
- Contractors should be required to issue draft LCDs within 180 days of a determination that a request is complete or valid.

Contractor Accountability for Meeting Performance Standards

- CMS should implement and publicly report performance metrics that hold Contractors accountable for adhering to applicable LCD timelines, standards for CAC engagement, and other process improvements. Accountability metrics should be tied to the items listed previously.

Stakeholder Coalition Members

American Podiatric Medical Association
American Academy of Allergy, Asthma & Immunology
American Academy of Dermatology Association
American Academy of Ophthalmology
American Association of Orthopaedic Surgeons
American College of Foot and Ankle Surgeons
American College of Radiology
American College of Rheumatology
American College of Surgeons
American Gastroenterological Association
American Occupational Therapy Association
American Orthopaedic Foot & Ankle Society
American Physical Therapy Association
American Society of Hand Therapists
American Society of Podiatric Surgeons
College of American Pathologists
Alliance of Wound Care Stakeholders
Coalition of State Rheumatology Organizations