Wednesday, June 3, 2015

In this Issue:

Federal Government Releases 2013 Medicare Billing Data

On June 1, the Centers for Medicare & Medicaid Services (CMS) made available the second annual release of Medicare physician and other supplier utilization and payment data for FY 2013. The new dataset has information for more than 950,000 distinct healthcare providers who collectively received $90 billion in Medicare payments in 2013. **Read below**

Senate Finance Leaders to Explore Improved Delivery of Chronic Care

Senate Finance Committee Chairman Orrin Hatch (R-Utah) and Ranking Member Ron Wyden (D-Ore.) announced the formation of a working group to "explore solutions that will improve outcomes for Medicare patients requiring chronic care," according to a May 22 letter to healthcare stakeholders. **Read below**

NIH Announces Nationwide Precision Medicine Trial for Cancer Patients

The National Institutes of Health (NIH) announced this month that it would begin enrolling patients in the NCI-MATCH clinical trial program in July, which will examine the effectiveness of targeted therapies for cancer patients as part of greater effort to expand knowledge regarding personalized medicine. **Read below**

Senate Finance Committee Examples Medicare Audit and Appeals Reforms

On June 3, the Senate Finance Committee hosted a hearing to examine new legislation entitled, "Audit & Appeal Fairness, Integrity, and Reforms in Medicare Act of 2015" (AFIRM Act). **Read below**

Federal Government Releases 2013 Medicare Billing Data

On June 1, the Centers for Medicare & Medicaid Services (CMS) made available the second annual release of Medicare physician and other supplier utilization and payment data for FY 2013. The new dataset has information for more than 950,000 distinct healthcare providers who received a total of $90 billion in Medicare payments while delivering care to approximately 34 million Americans in 2013. The data includes $72 billion for medical services and $17 billion for drugs administered.

The Medicare Part B physician, practitioner, and supplier utilization and payment data presents information on services and procedures provided to Medicare beneficiaries by physicians and other healthcare professionals. The federal government has said it plans to release this physician payment annually, which allows the public to compare how individual physicians and medical providers bill the Medicare program.

CMS also presented analyses of the data, including individual provider specialties average Medicare allowed amounts per provider, reported separately for medical versus drug services. A CMS analysis shows that a large portion of costs for select specialties is due to the cost of administered drugs. In the table below, Hematology/Oncology and Medical Oncology have a high overall average cost per provider, but when reviewing medical services only, these specialties have a much lower average cost when compared to other specialties.

Provider Type	Number of Providers	Average Medicare Allowed Amount Per Provider for Medical Services	Average Medicare Allowed Amount Per Provider for Drug Services
Hematology/ Oncology	7,070	$225,379	$583,237
Medical Oncology	2,593	$181,747	$473,926
VS			
Cardiology	19,650	$296,129	$7,062

Source: Medicare Provider Utilization and Cost Physician and Other Supplier NPI Aggregate, 2013.

The American Medical Association (AMA), however, expressed concerns about the data in a press statement and urged caution, as accurate understanding of information is critical when reviewing the Medicare dataset. “We remain concerned that the 2013 data still have significant shortcomings. Specifically, the data released today do not provide actionable information on the quality of care that patients and physicians can use to make any meaningful conclusions. The data also do not provide enough context to

prevent the types of inaccuracies, misinterpretations and false assertions that occurred the last time the administration released Medicare Part B claims data," said Robert M. Wah, MD, AMA President.

The AMA further stressed the following points about the Medicare Part B dataset:

- Medicare payments aren't the physician's personal income.
- The majority of physicians don't receive noteworthy Medicare payments.
- Attribution issues could distort the data. The data is tied to the National Provider Identifier (NPI), therefore some physicians who provide Medicare services may not be included at all because their claims were filed using a group NPI.
- Residents, physician assistants, nurse practitioners and others under a physician's supervision can all file claims under a single physician's NPI, which can make it appear that some physicians personally performed far more services than was actually the case.
- Physicians can't correct errors in the data.

To read the CMS press statement, CLICK HERE.

To view a fact sheet on the 2013 Medicare Part B physician data, CLICK HERE.

To view the new physician dataset, CLICK HERE.

To view the AMA Media Guide, CLICK HERE.

Senate Finance Leaders to Explore Improved Delivery of Chronic Care

Senate Finance Committee Chairman Orrin Hatch (R-Utah) and Ranking Member Ron Wyden (D-Ore.) announced the formation of a working group to "explore solutions that will improve outcomes for Medicare patients requiring chronic care," according to a May 22 letter to healthcare stakeholders.

The decision comes on the heels of a May 15 Senate Finance hearing, entitled "A Pathway to Improving Care for Medicare Patients with Chronic Conditions." Committee members Johnny Isakson (R-Ga.) and Mark Warner (D-Va.) will lead the initiative. Lawmakers are also now seeking public comment from both private and public stakeholders, which can be submitted at chronic_care@finance.senate.gov.

Specifically, the senators have requested input regarding:

- Improvements to Medicare Advantage for patients living with multiple chronic conditions;
- Transformative policies that improve outcomes for patients living with chronic diseases either through modifications to the current Medicare Shared Savings ACO Program, piloted alternate payment models (APMs) currently underway at CMS, or by proposing new APM structures;
- Reforms to Medicare's current fee-for-service program that incentivize providers to coordinate care for patients living with chronic conditions;
- The effective use, coordination, and cost of prescription drugs;
- Ideas to effectively use or improve the use of telehealth and remote monitoring technology;
- Strategies to increase chronic care coordination in rural and frontier areas;
- Options for empowering Medicare patients to play a greater role in managing their health and meaningfully engaging with their health care providers; and
- Ways to more effectively utilize primary care providers and care coordination teams in order to meet the goal of maximizing health care outcomes for Medicare patients living with chronic conditions.

For the full letter, CLICK HERE.

For the official press release, CLICK HERE.

To view the May 15 hearing, CLICK HERE.

NIH Announces Nationwide Precision Medicine Trial for Cancer Patients

The National Institutes of Health (NIH) announced this month that it would begin enrolling patients in the NCI-MATCH clinical trial program in July, which will examine the effectiveness of targeted therapies for cancer patients as part of greater effort to expand knowledge regarding personalized medicine.

Specifically, the clinical trial will first enroll patients with intractable cancers at 2,400 clinics around the country, who will then be administered an NIH-created DNA sequencing test. If specific genetic mutations are revealed, researchers will then incorporate more than 20 different study drugs or drug combinations, each targeting a specific gene mutation, in order to match each patient in the trial with a therapy that targets a molecular abnormality in their tumor.

Trial investigators plan to screen about 3,000 patients during the full course of the NCI-MATCH trial and to officially enroll about 1,000 patients in the program's various treatment arms. NCI-MATCH will initially cost $30 million to $40 million, according to scientists announcing the program at the American Society of Clinical Oncology's annual meeting.

The NCI-MATCH program – which is part of President Obama's Precision Medicine Initiative – is one of three major clinical trials that will help establish a comprehensive registry of patients, their cancer types, treatments offered, and their responses to those treatments.

For the official NIH release, CLICK HERE.

To watch the ASCO announcement, CLICK HERE.

For more information about the *Precision Medicine Initiative*, CLICK HERE.

Senate Finance Committee Examples Medicare Audit and Appeals Reforms

On June 3, the Senate Finance Committee hosted a hearing to examine new legislation entitled, "Audit & Appeal Fairness, Integrity, and Reforms in Medicare Act of 2015" (AFIRM Act).

The bill aims to alleviate some of the large burden the Medicare audits and appeals process puts on healthcare providers and the Medicare program, and reduce the amount of improper payments by federal health programs. There is currently a significant backlog in the appeals process due to provider concerns of the accuracy of the audits.

According to the Committee's bill backgrounder, the AFIRM Act seeks to strengthen the current system in the following ways:

1. *Improve oversight capabilities for HHS and CMS that increase the integrity of the Medicare auditors and claims appeals process.*
2. *Coordinate efforts between auditors and CMS to ensure that all parties receive transparent data regarding audit practices, improved methodologies over time, and new incentives/disincentives to improve auditor accuracy. CMS would create an independent Ombudsman for Medicare Reviews and Appeals to assist in resolving complaints by appellants and those considering appeal. This Ombudsman would further increase the transparency of the appeal process by publishing data regarding the number of determinations appealed, each appeal's outcome, and aggregate appeal statistics for each contractor and provider type.*
3. *Establish a voluntary alternate dispute resolution process to allow for multiple pending claims with similar issues of law or fact to be settled as a unit, rather than as individual appeals.*
4. *To ensure timely and high quality reviews, raise the amount in controversy for review by an ALJ to match the amount for review by District Court. For cases with lower costs, a new Medicare Magistrate program would be created to allow senior attorneys with expertise in Medicare law and policies to adjudicate cases*

in the same way as ALJs. This would allow more complex cases to retain the full focus on the ALJs.

5. *Allow for the use of sampling and extrapolation, with the appellant's consent, to expedite the appeals process.*

To view the Chairman's Mark of the legislation, CLICK HERE.

To access more information about the hearing, CLICK HERE.