Wednesday, September 23, 2015

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A new report from the Berkley Research Group finds that the 340B program has grown significantly – and more than previously understood – over the past five years. **Read below**

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A recent House Judiciary Committee hearing examined trends in healthcare marketplace competition and consolidation among healthcare insurers and providers. **Read below**

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This September, the Centers for Medicare & Medicaid Services (CMS) released a plan for advancing health equity by improving the quality of care provided to minority and other underserved Medicare beneficiaries. **Read below**

Site-Neutral Payment Reforms Cited as Possible Sequester Offset Solution

The Committee for a Responsible Federal Budget (CRFB) – a bipartisan, non-profit organization committed to educating the public about issues that have significant fiscal policy impact – released a plan on September 16 to help improve the economy by offering ideas for responsible sequester relief called the Sequester Offset Solutions (SOS) plan.

The Committee recommends lawmaker focus on three principles when trying to achieve sequester relief:

1. Fully offset all cost of sequester relief over 10 years.
2. Focus on policies that would save increasing amounts over the long term.
3. Strengthen budget enforcement to prevent gaming of the spending caps.

The SOS plan has four parts and is meant to replace a portion of the discretionary cap reductions under the sequester with more long-term savings.

- Establish new spending caps above sequestration levels (-$320 billion with interest)
- Offset two-year sequester relief, including interest ($110 billion)
    - Under this part of the plan, CRFB recommends enacting targeted mandatory savings from the President's Budget, including Medicare site-of-service payment reforms to equalize Medicare payments for similar services furnished in different settings, which is estimated to save $15 billion.
- Offset continued sequester relief by adopting the chained CPI ($210 billion)
- Strengthen enforcement of budget caps

To download a one-page summary of the plan, CLICK HERE.

To download the complete plan, CLICK HERE.

New Report Finds 340B Growth Larger than Previously Understood

A new report from the Berkley Research Group (BRG), sponsored by the Community Oncology Alliance (COA), released on September 15 finds that the 340B program has grown significantly – and more than previously understood – over the last five years. In fact, the study showed that 58 percent of all Medicare Part B hospital outpatient drug reimbursements were made to 340B-enrolled hospitals in 2013.

The program is also expected to grow even larger as DSH hospitals continue to become 340B eligible due to Medicaid expansion, covered entities expand their contract pharmacy programs to capture specialty drugs, and DSH hospitals continue acquiring community oncology practices.

The study finds the growing 340B program particularly impacts the oncology marketplace. In 2013, oncology drugs accounted for over 40 percent of Medicare FFS Part B hospital outpatient drug reimbursements to 340B hospitals.

Recent reports have also shown similar concerns, along with a report released in June by the Government Accountability Office (GAO) finding that in 2012, 340B-enrolled hospitals received more than twice the amount of Medicare Part B hospital outpatient drug reimbursement on a per-beneficiary bases than non-340B hospitals.

To read the Community Oncology Alliance's press release about the report, CLICK HERE.

To read the full BRG report, CLICK HERE.

Congressional Hearing Examines Healthcare Consolidations

A recent House Judiciary Committee hearing, "The State of Competition in the Health Care Marketplace: The Patient Protection and Affordable Care Act's Impact on Competition," examined trends in healthcare marketplace competition and consolidation among healthcare insurers and providers.

Panelists offered varied perspectives on how anticompetitive practices in the healthcare marketplace and consolidation impact physician-based practices:

Dr. Scott Gottlieb, American Enterprise Institute

"Transferring cancer care to the outpatient setting produced substantial savings, it's cheaper to deliver care outside the hospital. This is how technology improves productivity and lower costs, which brings me back to the consolidation underway in the market health care services.

"This consolidation not only reduces productivity and in turn increases costs, it also reduces patient access. This is especially troubling when it comes to rural markets where there's a lower density of doctors and patients can find it harder to get care at a site near their homes."

Dr. Barbara McAneny, American Medical Association

"Ultimately, physicians should be able to maintain independent practices and participate in innovative care models. Anticompetitive hospital markets may undermine the incentive of hospitals to compete based on quality, potentially laying the groundwork for suboptimal care.

"Lifting the ban on new physician-owned hospitals which have developed an enviable track record on quality and cost offers one way to inject new competition into hospital markets."

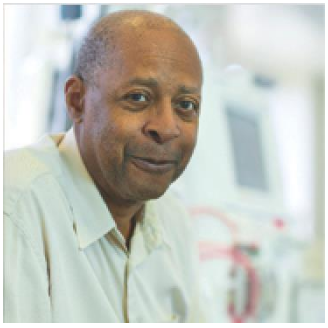
Dan Durham, America's Health Insurance Plans (AHIP)

"Robert Wood Johnson Foundation study found that increases in hospital market concentration led to increases in the price of hospital care. And that when hospitals merge in already concentrated markets, the price increase can be dramatic, often exceeding 20 percent.

"The study further cautions that physician hospital consolidation has not led to either improved quality or reduced cost. Other studies that we've detailed in our written testimony show that anticompetitive consolidation in provider markets is resulting in higher health care cost for consumers and employers and government programs."

To view the hearing and access all witness testimony, CLICK HERE.

New CMS Equity Plan Seeks to Reduce Health Disparities in Medicare



This September, the Centers for Medicare & Medicaid Services (CMS) released a plan titled *Equity Plan for Improving Quality Medicare* to provide "an action-oriented, results-driven approach for advancing health equity by improving the quality of care provided to minority and other underserved Medicare beneficiaries."

CMS has stated that this plan focuses on Medicare populations disproportionately facing high burdens of disease, worse quality of care, and barriers to accessing care. These populations include racial and ethnic minorities, sexual and gender minorities; persons with disabilities, as well as individuals living in traditionally underserved communities.

Three fundamental principles have been outlined to help guide the CMS Equity Plan, including:

1. Increasing understanding and awareness of disparities;
2. Developing and disseminating solutions; and
3. Taking sustainable action and evaluating progress.

The National Institutes of Health's National Cancer Institute has found that health disparities are prevalent throughout low-socioeconomic groups, those living in isolated areas, and particularly racial and ethnic minorities. Research has shown that African American men are more likely to be diagnosed with prostate cancer and have higher mortality rates than any other racial or ethnic group, and African American women often face extremely aggressive forms of breast cancer.

These priorities in the plan will serve as the foundation for the work to come:

1. Expand the Collection, Reporting, and Analysis of Standardized Data
2. Evaluate Disparities Impacts and Integrate Equity Solutions Across CMS Programs
3. Develop and Disseminate Promising Approaches to Reduce Health Disparities
4. Increase the Ability of the Health Care Workforce to Meet the Needs of Vulnerable Populations
5. Improve Communication and Language Access for Individuals with Limited English Proficiency and Persons with Disabilities
6. Increase Physical Accessibility of Health Care Facilities

For the full plan, CLICK HERE.

To read the CMS press release, CLICK HERE.