



Wednesday, June 15, 2016

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CMS Responds to Lawmaker Concerns with Part B Drug Payment Model

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U.S. House Passes Bill Amending Site Neutral Payment Provision

On June 7, the U.S. House of Representatives passed the Helping Hospitals Improve Patient Care Act (HIP-C), which moves to amend the site neutral payment provision passed in the Bipartisan Budget Act of 2015. [Read below.](#)

House Ways & Means Committee Holds Hearing on Medicare Legislation

On June 8, the House Ways & Means Health Subcommittee held a hearing titled, "Legislation to Improve and Sustain the Medicare Program," during which Members of Congress discussed pending legislation related to improving and sustaining the Medicare program. [Read below.](#)

Health Affairs Blog Highlights Need for Site Neutral Reforms

In an article written by Aparna Higgins and German Vasilevskiy of the Center for Policy and Research at American Health Insurance Plans (AHIP), data is presented which supports the value of neutralizing payments across sites of services because patients relying on outpatient departments are paying higher prices for care than they would at physicians' offices. [Read below.](#)

American Medical Association Releases MACRA Toolkit

The American Medical Association (AMA) recently released an Action Kit to help physician practices better understand the Medicare Access and CHIP Reauthorization ACT. [Read below.](#)

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More bipartisan lawmakers continue to echo concerns already expressed to CMS in regard to how the Centers for Medicare & Medicaid Services' (CMS) proposed Medicare Part B drug payment model will impact patient access to clinically appropriate drugs and therapies.

On June 2, Senate Majority Leader Mitch McConnell (R-KY) and Senator Rand Paul, M.D. (R-KY) issued a letter to CMS requesting withdrawal of the Medicare Part B Drug Payment Model, stating, "This policy is overly broad, poorly defined, needlessly rushed and could jeopardize access to vital therapies. For these reasons, we ask that it be withdrawn." To download their letter, [CLICK HERE](#).

On June 3, Congresswoman Grace Meng (D-NY) sent a letter to CMS Acting Administrator Andy Slavitt opposing the Medicare Part B Drug Payment demonstration. "After hearing from many patient advocacy groups, beneficiaries and providers, I urge CMS not to move forward with this proposed rule due to the possible disruption it will cause my constituents and the providers who care for them," Congresswoman Meng wrote. To download her letter, [CLICK HERE](#).

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The US Oncology Network and its coalition partners continue to communicate concerns with the proposed Part B drug payment model to lawmakers and the Administration.

To download CMS' letter, [CLICK HERE](#).

U.S. House Passes Bill Amending Site Neutral Payment Provision



On June 7, the U.S. House of Representatives passed the Helping Hospitals Improve Patient Care Act (HIP-C), which moves to amend the site neutral payment provision passed in the Bipartisan Budget Act of 2015.

The Alliance for Site Neutral Payment Reform spoke out in opposition of the bill, specifically citing concerns with Sections 201 and 202 of the bill, which permit certain off-campus hospital outpatient departments to continue operating under previous payment systems that allow significantly higher reimbursements for identical care provided in physician offices.

“Congress has already recognized the negative consequences payment disparities have on patients and Medicare, which is why site neutral payment policies were passed as an important part of the Bipartisan Budget Act last year,” said Ted Okon, executive director of the Community Oncology Alliance said on behalf of the Alliance. “Any legislation that backpedals on this progress by giving hospitals exemptions to charge more than physicians for identical services only drives up costs for everyone.”

To read the Alliance press release, [CLICK HERE](#).

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Congressman Robert Dold (R-IL) testified about [HR 5122](#), legislation to prohibit further action on the proposed rule regarding testing of Medicare part B prescription drug models. The US Oncology Network supports HR 5122 and is encouraging lawmakers to cosponsor the bill.

To watch the hearing, [CLICK HERE](#).

Health Affairs Blog Highlights Need for Site Neutral Reforms

In an article written by Aparna Higgins and German Veselovskiy of the Center for Policy and Research at American Health Insurance Plans (AHIP), and published on the *Health Affairs Blog*, data is presented which supports the value of neutralizing payments across

sites of services because patients relying on outpatient departments are paying higher prices for care than they would at physicians' offices.

Higgins and Veselovskiy state that the Medicare Payment Advisory Commission (MedPAC) identified 66 outpatient services for which the payment rates can be equalized between free-standing physician offices and hospital outpatient departments, stressing that payment parity reforms have potential to reduce discrepancies and Medicare spending. Research also shows that these site-of-care price differences also exist within health care that is insurance-provided.

The authors note that price differences in health care are caused by vertical integration, or hospitals acquiring physician practices, and horizontal integration, or hospitals acquiring other hospitals. These practices are said to increase costs for physicians and make it difficult for insurers to bargain with a limited number of health care systems.

To rectify the situation, the article suggests a need for policy intervention and market based solutions to expand options for Medicare spending and beneficiary cost sharing, and to increase transparency between hospitals and physicians on the prices they charge for services.

To read the *Health Affairs* post, [CLICK HERE](#).

American Medical Association Releases MACRA Toolkit

The American Medical Association (AMA) recently released an Action Kit to help physician practices better understand the Medicare Access and CHIP Reauthorization ACT (MACRA). The proposed MACRA rule was issued on April 27 by the Centers for Medicare & Medicaid (CMS).

The Action Kit offers physician practices vital information on how to adjust to the proposed rule. The Action Kit includes:

- A checklist of steps to take before the rule goes into effect
- The Rewards and Penalties under MACRA's Merit-based Incentive Payment System (MIPS)
- An overview of the MACRA proposed rule
- Clinical Practice Improvement Activities (CPIA)
- Information on Quality Category, Resource Use Category and Advancing Care Information
- Information on Advanced Payment Models (APMs)

To download the Action Kit, [CLICK HERE](#).