



Thursday, September 21, 2017

## **Alliance for Site Neutral Payment Reform Submits Comments to CMS Payment Rules**

The Alliance for Site Neutral Payment Reform recently submitted comments to the Centers for Medicare & Medicaid Services (CMS) concerning its most recently proposed updates to the Physician Fee Schedule (PFS) and the Outpatient Prospective Payment System (OPPS). [Read below.](#)

## **Lawmakers Thank HHS Secretary Price for Terminating the Medicare Part B Payment Model**

On September 7, a group of 86 House Republican lawmakers led by Reps Larry Buschon (R-IN), Erik Paulsen (R-WI), and John Shimkus (R-IL) sent a letter to Health and Human Services Secretary Tom Price thanking him for his leadership in stopping the Centers for Medicare & Medicaid Services (CMS) from implementing the Medicare Part B Drug Payment Model. [Read below.](#)

## **Senate Republicans Move Forward with Latest ACA Repeal Attempt**

Senate Republicans are moving forward with a final attempt to repeal and replace the Affordable Care Act (ACA) after previously falling just one vote short of doing so in July. [Read below.](#)

## **CMS Announces “New Direction” for Innovation Center, Launches an Informal Request for Information**

On September 19, the Centers for Medicare & Medicaid Services (CMS) announced that it will begin soliciting feedback from stakeholders regarding a “new direction” for the Center for Medicare and Medicaid Innovation (CMMI) that promotes patient-centered care while empowering beneficiaries and giving providers flexibility to innovate. [Read below.](#)

## **House Energy & Commerce Committee Advances Healthcare Bills to Mirror CHRONIC Care Act**

On September 13, the House Energy and Commerce Committee’s Subcommittee on Health unanimously approved seven bipartisan healthcare bills, most of which mirror provisions contained in Senate Finance Committee’s CHRONIC Care Act. [Read below.](#)

## **House Ways & Means Committee Advances Stark Administrative Simplification Act**

Also on September 13, The House Ways & Means Committee unanimously approved a bill to ease penalties under the physician self-referral law – commonly known as the Stark Act – and establish an alternate set of sanctions for providers who run afoul of the law for technical reasons. [Read below.](#)

## **AACR Releases 2017 Cancer Progress Report**

The American Association for Cancer Research released its 2017 Cancer Progress Report on September 13, which provides an overview of the progress being made to combat cancer. [Read below.](#)

## Alliance for Site Neutral Payment Reform Submits Comments to CMS Payment Rules

[The Alliance for Site Neutral Payment Reform](#) recently submitted comments to the Centers for Medicare & Medicaid Services (CMS) concerning its most recently proposed updates to the Physician Fee Schedule (PFS) and the Outpatient Prospective Payment System (OPPS).

The Alliance applauded CMS for implementing the site neutral payment policy enacted as a part of the Bipartisan Balanced Budget Act of 2015 and urged the agency to continue to move forward with equalizing payment for services delivered at off-campus facilities with those delivered by independent practices. Specifically, the Alliance supports CMS' decision to modify the 2018 PFS Relativity Adjuster – which establishes site-specific rates for services rendered at non-excepted off-campus provider based departments (PBDs) – to 25 percent of the OPPS payment rate.

The Alliance also noted in its letters that, although CMS is making progress, site neutral payment policies have not yet been applied to all clinically appropriate off-campus outpatient departments. Medicare should be paying the same amount for the same services, regardless of location. Doing so would save \$33 billion over 10 years according to the Alliance's own analysis.

Additionally, the Alliance restated its call for CMS to finalize policies restricting what services can be billed by off-campus PBDs at the OPPS rate and to require all such facilities undergo mandatory attestation to ensure that they are in compliance with the regulations that allow them to bill at the OPPS rate.

To view the Alliance's letter to CMS concerning the 2018 PFS Rule, [CLICK HERE](#).

To view the Alliance's letter concerning the 2018 OPPS Rule, [CLICK HERE](#).

## Lawmakers Thank HHS Secretary Price for Terminating the Medicare Part B Payment Model



Last week, a group of 86 House Republican lawmakers led by Reps Larry Buschon (R-IN), Erik Paulsen (R-WI), and John Shimkus (R-IL) sent a letter to Health and Human Services Secretary Tom Price thanking him for his leadership in stopping the Centers for Medicare & Medicaid Services (CMS) from implementing the Medicare Part B Drug Payment Model.

The Part B Model was originally an Obama Administration payment model proposal that would have applied sweeping cuts to the reimbursement rates for most types of doctor-administered drugs in an attempt to incentivize physicians to choose less expensive generic medications over brand-name drugs.

Part B drugs, the lawmakers note, are a small subset of medicines used to treat some of Medicare's most vulnerable patients – especially those suffering from various types of cancer, arthritis and autoimmune diseases – in an outpatient setting. Because Part B beneficiaries have unique treatment needs, it would be inappropriate, or even clinically harmful, to force them to switch medications for cost reasons. The lawmakers also note that existing reforms enacted through the Medicare Access and CHIP Reauthorization Act (MACRA) are achieving costs savings by transitioning Part B into a value-based program.

Last, the letter also noted that with appropriate guardrails in place, the Center for Medicare and Medicaid Innovation (CMMI) can help improve the Medicare program, but warned that proposals that would reduce access to care or drive further provider consolidation should not be pursued.

To view the full letter to Secretary Price, [CLICK HERE](#).

## Senate Republicans Move Forward with Latest ACA Repeal Attempt



Senate Republicans are moving forward with a final attempt to repeal and replace the Affordable Care Act (ACA) after previously falling just one vote short of doing so in July.

The new proposal – known as the Graham-Cassidy Amendment after its two co-sponsors, Senators Lindsey Graham (R-SC) and Bill Cassidy (R-LA) – would transform existing funding for the ACA's premium tax-credit subsidies and Medicaid expansion into a block grant program to states to develop their own insurance coverage schemes. Non-expansion Medicaid funding will also be reduced in the form of per capita caps. All of the taxes used to finance the ACA would be preserved with the exception of the Medical Device Tax, which would be repealed entirely.

While the amendment has received support from Senate leadership and the White House, it is unclear if it will be able to receive the 50 votes needed to pass the chamber. Senator Rand Paul (R-KY) announced that he will be voting “no” because the bill does not go far enough in repealing the ACA. Senators Susan Collins (R-ME), Lisa Murkowski (R-AK) and John McCain (R-AZ), all of whom voted against the last “skinny-repeal” attempt, remain undecided. No Democrats are expected to support the bill.

The Graham-Cassidy amendment has also come under criticism from a bipartisan group of Governors who worry that the amendment will leave their states with insufficient funds to guarantee existing levels of coverage. Under the bill's funding formula, states that adopted the ACA's Medicaid expansion would see significant reductions in their federal funding for healthcare programs.

Patient and physician groups, including the American Hospital Association, American Medical Association, American College of Physicians, American Cancer Society Cancer Action Network, American Lung Association and March of Dimes, have all publicly opposed the latest ACA repeal measure.

A hearing on the bill is scheduled for Monday, September 26 during a Senate Homeland Security Committee Meeting. No date has yet been set for a final vote, however the Senate must vote before the fiscal year ends at midnight on Friday, September 30.

Because of the short timetable, the Congressional Budget Office (CBO) will not be able to release an analysis evaluating the amendment's full impact on premiums or the number of people covered.

To read the full text of the amendment, [CLICK HERE](#).

To read a section-by-section summary of the bill by Senator Cassidy's office, [CLICK HERE](#).

## CMS Announces “New Direction” for Innovation Center, Launches an Informal Request for Information

This week, the Centers for Medicare & Medicaid Services (CMS) announced that it will begin soliciting feedback from stakeholders regarding a “new direction” for the Center for Medicare and Medicaid Innovation (CMMI) that promotes patient-centered care, while empowering beneficiaries and giving providers flexibility to innovate. The agency intends to continue the shift away from the fee-for-service model and move towards holding providers accountable for the quality of the services they provide.

According to CMS's Request for Information (RFI), the agency is interested in testing models in eight specific areas:

1. Advanced Alternative Payment Models (APMs)
2. Consumer-Directed Care & Market-Based Innovation Models
3. Physician Specialty Models
4. Prescription Drugs
5. Medicare Advantage (MA) Innovation
6. State-Based and Local Innovation, Including Medicaid-focused Models
7. Mental and Behavioral Health Models
8. Program Integrity

Stakeholders are invited to submit comments online or via email until November 20, 2017.

To view CMS' Request for Information (RFI), [CLICK HERE](#).

To view a fact sheet from CMS announcing the changes, [CLICK HERE](#).

To submit stakeholder feedback, [CLICK HERE](#).

## House Energy & Commerce Committee Advances Healthcare Bills to Mirror CHRONIC Care Act

Last week, the House Energy and Commerce Committee's Subcommittee on Health unanimously approved seven bipartisan healthcare bills, most of which mirror provisions contained in Senate Finance Committee's CHRONIC Care Act. It is likely that these bills may be combined with several others being considered separately by the House Ways & Means Committee to create a parallel version of the CHRONIC Care Act in the House.

The seven bills advanced by the committee are:

**The Furthering Access to Telemedicine Act of 2017 (H.R. 1148):** Expands the ability of patients to receive a Medicare-reimbursed neurological consultations via telemedicine.

**Steve Gleason Enduring Voices Act of 2017 (H.R. 2465):** Requires Medicare to cover speech-generating devices. Though such equipment is currently covered, this bill would make coverage permanent and treat the devices as "routinely purchased durable medical equipment" under the Medicare program.

**The Protecting Access to Diabetes Supplies Act of 2017 (H.R. 3271):** Makes the competitive bidding process for diabetes test strips more competitive by requiring additional reporting from bidders.

**The Medicare Civil and Criminal Penalties Act (H.R. 3245)** Increases the financial penalties for those convicted of Medicare fraud and abuse.

**The Prostate Cancer Misdiagnosis Elimination Act of 2017 (H.R. 2557):** Requires Medicare to cover DNA specimen provenance assay (DPSA) testing for prostate cancer.

**H.R. 3263:** Extends the Medicare Independence at Home Medical Practice Demonstration program for an additional two years.

**H.R. 3120:** Amends the HITECH Act to remove the requirement that meaningful use standards become more stringent over time.

## House Ways & Means Committee Advances Stark Administrative Simplification Act

The House Ways & Means Committee last week unanimously approved a bill to ease penalties under the physician self-referral law – commonly known as the Stark Act – and establish an alternate set of sanctions for providers who run afoul of the law for technical reasons. The

bipartisan bill, proposed by Reps. Kenny Marchant (R-TX) and Ron Kind (D-WI) is expected to significantly alleviate the backlog of physician self-referral disclosures.

Under current law, physicians are generally prohibited from referring Medicare patients to facilities in which they have an ownership interest. However, they can be penalized for minor technical violations of the law, such as misfiling paperwork or inadvertently letting a contract expire. The proposed legislation would reduce penalties for such infractions to between \$5,000 and \$10,000, depending on the timeliness of the disclosure – down from the current \$15,000 per violation.

To view the full text of the Stark Administrative Simplification Act (H.R. 3726), [CLICK HERE](#).

## AACR Releases 2017 Cancer Progress Report



The American Association for Cancer Research (AACR) released its 2017 Cancer Progress Report this month, which provides an overview of the progress being made to combat cancer.

According to the report, the age-adjusted U.S. cancer death rate decreased 25 percent between 1991 and 2014, which translates to 2.1 million fewer cancer deaths over that period. However, cancer is expected to become more common in the future as the U.S. population ages. The number of new cancer cases is expected to jump from 1.7 million in 2017 to 2.3 million in 2030.

The report also found that new cancer therapies are reaching the market more quickly – the FDA approved nine new cancer treatments last year – and that cigarette consumption fell significantly between 2000 and 2015, which the authors credit to a large reduction in lung cancer rates.

To view the full report, [CLICK HERE](#).