

Health Care Policy Update

Health Care Policy Weekly Update and Outlook

Government Regulations

Physician Groups Continue Push for Medicare Payment Fix

On February 13, the American Medical Association (AMA) held its National Advocacy Conference, with a focus on mitigating Medicare physician payment cuts that took effect on January 1, 2024. Several members of Congress, including Larry Bucshon (R-IN) stated that Congress continues to work on a potential short-term revision to the 3.4% physician payment reduction. Some mitigation of the physician payment cut may be included as part of upcoming appropriations bills, or a Continuing Resolution (CR) that will need to pass Congress in early March to avoid a government shutdown. Longer-term reforms to the Medicare physician payment system are less likely in the near term, but a bipartisan group of Senate Finance Committee members established a working group on potential physician payment reforms. Legislation in the House proposes to include an annual payment update based on the Medicare Economic Index (MEI) inflation for physicians, and MedPAC also recommends an annual update for Medicare physicians.

FTC Announces Workshop on Private Equity in Healthcare

On February 14, the Federal Trade Commission (FTC) announced that it will hold a workshop on March 5 on "Private Capital, Public Impact: An FTC Workshop on Private Equity in Health Care." The workshop will include government officials, academics, economists, practitioners, and members of the public to "discuss private equity's impact in health care. The workshop will examine the growing concerns in this area and what the federal government is doing to address any harmful effects." The workshop will consist of several panels to discuss "effects of private equity investment in health care."

Surprise Billing Data - Providers Win 77% of Disputes

On February 15, CMS released data on Surprise Billing claims and results from arbitration for the first half of 2023. CMS notes that there were 288,810 disputes initiated in the Federal Independent Dispute Resolution (IDR) portal in the first six months of 2023. CMS states that this was 13 times greater than originally estimated, and the number of disputes increased by 24% in Q12023 and increased 12% in Q2 2023. Also, 22% of the disputes were found to be ineligible for the IDR process. CMS found that 78% of all disputed claims were initiated by the top ten parties, primarily large practice management companies, medical practices, and revenue cycle management companies. Specifically, the top three initiating parties were SCP Health, Team Health, and Radiology Partners and accounted for approximately 58% of all disputes submitted in the first six months of 2023. IDR entities rendered payment determinations for almost 84,000 disputes in the first half of 2023, with emergency services (58%) and radiology services (17%) making up a majority of determinations. Providers, facilities, or air ambulance providers prevailed in 77% of determinations, and health plans winning 23% of cases. The final payment amount exceeded the qualifying payment amount (QPA) in 82% of cases. Overall, CMS believes that "ongoing technical and operational improvements to the Federal IDR process, along with the increasing capacity of IDR entities, will continue to increase efficiency of the Federal IDR process."

20 February 2024

High Yield Credit
United States
Washington Healthcare

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Abbreviations

CMS: Centers for Medicare and Medicaid Services

HHS: Health and Human Services Department

FTC: Federal Trade Commission

CBO: Congressional Budget Office

MEI: Medicare Economic Index

CR: Continuing Resolution

IDR: Independent Dispute Resolution

QPA: Qualifying Payment Amount

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Health Care Policy Events for the Week

Monday (February 19)

- President's Day Holiday

Tuesday (February 20)

- R Street Institute briefing on "Bipartisan Priorities for Helping Families in 2024" including improving telehealth access.

Wednesday (February 21)

- American Enterprise Institute (AEI) briefing on "Regulating Risky Research: The Science and Governance of Pathogens of Pandemic Potential."

Thursday (February 22)

- Joint US FDA Public Meeting on "Health Canada ICH", with presentations from FDA, Health Canada, PhRMA, and BIO on ICH guidelines and milestones.
- HHS meeting, "The National Vaccine Advisory Committee Virtual Meeting"
- Health Affairs Policy briefing on "One-on-One with Micky Tripathi, National Coordinator for Health Information Technology."
- Kaiser Family Foundation workshop "Prior Authorization in Health Insurance: A Needed Tool to Contain Costs or an Excessive Barrier to Needed Care?"
- Presidential Advisory Council meeting on Combating Antibiotic-Resistant Bacteria
- Urban Institute briefing on "Measuring Disability: Exploring the Census Bureau's Proposed Changes and Policy Implications."
- National Governors Association Winter meetings, including discussion of healthcare solutions (Feb. 22-24)

Friday (February 23)

- Senate Aging Committee hearing on "Medicare & Medicare Advantage: Challenges and Opportunities with Enrollment."
- HHS meeting, "The National Vaccine Advisory Committee Virtual Meeting."

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