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\$1.5 Trillion Omnibus Bill Signed by President Biden, Extends Telehealth Provisions

On Tuesday, President Joe Biden officially signed into law the \$1.5 trillion [Consolidated Appropriations Act for Fiscal Year \(FY\) 2022 omnibus](#) spending package, averting a government shutdown and fully funding the federal government through September 22 following months of lengthy negotiations and temporary continuing resolutions (CRs) that kept the government funded in the meantime. The spending bill includes a 6.7 percent increase in non-defense spending from FY2021 totaling \$730 billion and a 5.6 percent increase in defense spending to \$782 billion. Following months of efforts from APG and other healthcare stakeholders, the Omnibus Bill also included an extension of telehealth flexibilities that have been in effect during the COVID-19 public health emergency. They include:

- Medicare coverage of telehealth visits, including some audio-only visits
- Billing for telehealth services for all Medicare-enrolled providers
- Medicare coverage for telehealth visits that take place in a patient's home and in medical facilities
- Postponement of the in-person visit requirement six months after receiving a telehealth visit for older adults who seek virtual mental health services

- Federally qualified health centers and rural health clinics allowed to offer telehealth services and waiver of the requirement that mental health patients meet a provider in-person before receiving virtual care
- Expansion of the types of practitioners eligible to provide telehealth services to include occupational therapists, physical therapists, speech-language pathologists and audiologists

The bill also requires the Medicare Payment Advisory Commission (MedPAC) to conduct a study analyzing the use of telehealth services under the Medicare program, telehealth expenditures, and the effects of expanded telehealth coverage on access to care among Medicare beneficiaries. The HHS Secretary will also be required to post data about telemedicine service claims to the CMS website every quarter, starting July 1, 2022.

The bill hit a snag in the days before its passage when legislators removed \$15.6 billion in COVID-19 funding following a failure to reach compromise on how to pay for the relief with House Democrats objecting to language that would have offset the funding with unspent relief funds and Republicans wanting the funding to be partially offset by reclaiming unspent funds allocated to states. Democrats have stated their hoped to provide COVID-19 relief funding through standalone legislation. The bill also expanded funding for the National Institutes of Health, the Centers for Disease Control and Prevention, and for state and local governments to strengthen infrastructure and capacity.

CMS Innovation Center to Hold ACO REACH Webinars

The CMS Innovation Center is hosting a [webinar](#) for the recently released ACO Realizing Equity, Access, and Community Health (REACH) Model's [Request for Applications \(RFA\)](#) on Tuesday, March 22 from 4:00 – 5:00 PM EDT. The Innovation Center will discuss participant eligibility requirements, payment mechanisms, and the methodology used to align beneficiaries to providers.

On March 28 from 4:00 – 5:00 PM EDT, the Innovation Center will also conduct a [webinar](#) on ACO REACH Financial Methodology. That webinar will focus on the new financial policies featured in the ACO REACH model.

HHS' OIG Releases Report on the Importance of Telehealth during COVID-19 Pandemic

Yesterday, the Department of Health and Human Services Office of the Inspector General (OIG) released a [report](#) finding that telehealth played a critical role in providing services to Medicare beneficiaries during the first year of the COVID-19 pandemic. The report found that over 28 million Medicare beneficiaries, 40 percent of all Medicare beneficiaries, used telehealth between March 2020 and February 2021 and that telehealth accounted for 43 percent of Medicare behavioral health services, 13 percent of Medicare office visits, and 12 percent of overall services. In total, beneficiaries used 88 times more telehealth services during the first year of the pandemic than they used in the prior year.

The OIG cited its findings as “important” for the Centers for Medicare & Medicaid Services (CMS), Congress, and other stakeholders to consider as it weighs allowing recent changes to the telehealth services to be implemented permanently. The report also cited the need to balance concerns about access, quality of care, equity, and program integrity so that the benefits of telehealth are realized while allowing the Medicare program to best meet the needs of its beneficiaries.

Senate Finance Committee Holds Hearing on Drug Pricing Reform

On Wednesday, the Senate Committee on Finance held a [hearing](#) on drug pricing reform with Committee Chair Senator Ron Wyden (D-OR) focusing heavily on Medicare negotiations. His Republican colleagues expressed their opposition to the concept of negotiation as they characterized it as skewing too closely toward price controls. Sen. Wyden pushed back on the characterization and cited the varying cost of some drugs from country to country as evidence of the need for the process of negotiation with Sen. Ben Cardin (D-MD) echoing the sentiment and pointing toward the federal government's place as the largest payer for prescription drugs in the country, yet

having no power to negotiate prices that address the United States' position of being an outlier on what it pays for prescription drugs. Sen. Steve Daines (R-MT) called on Democrats to abandon the drug pricing provisions included in the Build Back Better bill with other Committee Republicans urging the parties to use previous proposed legislation as a starting point for new negotiations on how to move forward on the issue.

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