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***NOTE: Due to the Thanksgiving holiday, the Washington Update will not be published next week**

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More than a week after the midterm elections, the post-election profile of Congress is coming into focus, with Democrats retaining a de-facto majority in the Senate and Republicans taking control of the House with a narrow margin. Congress's lame duck session is also in full swing.

Here are some key developments that are shaping up in the current 117th Congress – and the next – of relevance to APG member organizations:

- Mental and behavioral health legislation will be a prime focus in coming weeks as Senators aim to complete work on a bipartisan, [multi-part package](#), Senate Finance Committee Chair Ron Wyden (D-OR) told reporters and industry stakeholders in a call this week. And that focus is likely to continue into next year, as senators examine some insurers' lack of compliance with longstanding requirements under mental health parity legislation, Wyden said.
- Last-ditch efforts are under way to incorporate into a lame-duck package provisions to prevent an estimated 5-14 million people from losing Medicaid coverage when the public health emergency (PHE) ends, and with it, a federal requirement and enhanced federal funding designed to maintain and expand Medicaid enrollment during the pandemic. (The current PHE will expire Jan. 11, 2023 but is expected to be extended once again through mid-April.) Democrats are looking to pass Medicaid continuous coverage provisions following the eventual end of the PHE. In order to pay for these provisions, Congress could choose to end the current maintenance of effort (MOE) requirement (the requirements states have had to reach in order to receive the increased Medicaid federal funding passed as part of COVID relief) before the Congressional Budget Office's assumed July 2023 expiration date of these funds. If Congress ends this funding prior to CBO's previous July calculations, the resultant savings could be used to fund the continuous coverage provisions, including permanently increasing the federal share of Medicaid funding for Puerto Rico and other U.S. territories.

- A team of strange bedfellows will lead the Senate Health, Education, Labor, and Pensions (HELP) committee as of next year, with Vermont Democrat Bernie Sanders as chair and Louisiana Republican Bill Cassidy, a physician, as the ranking member. HELP has jurisdiction over a range of health issues, including oversight of the federal health agencies, prescription drugs, behavioral health, and more. Although Sanders backs Medicare for All, it is unclear how much he will attempt to use his perch on HELP to advance that part of his agenda. Cassidy, by contrast, is a champion of value-based care and Medicare Advantage and could find common cause with other moderate Democrats who back these approaches.
- Health care cost issues will continue to be a key area of focus next year. Among the targets in some senators' sights, according to Wyden, who will remain as Finance Committee chair: pharmacy benefit managers (PBMs), and the role that he and other critics believe that these organizations play in creating higher out-of-pocket spending on pharmaceuticals for consumers.

Tackling Data Transparency and Boosting Value-Based Care in Medicaid

CMS will take steps to enhance the speed of data-sharing and foster greater data transparency with providers and managed Medicaid plans, Deputy Administrator and Director of Center for Medicaid and CHIP Services Dan Tsai, who oversees Medicaid, told a stakeholder meeting this week. The agency will address these issues in forthcoming rulemaking, citing the need for data enhancements to improve Medicaid health plans' [quality rating system](#), among other factors. The goal is to give providers and Medicaid managed care plans access to aggregated, clearer, and more concise data rather than the raw data that is currently available, lowering the administrative burden inherent in making use of the data, Tsai said.

The agency's Center for Medicaid and CHIP Services is also focused on increasing incentives for participation in value-based care models in Medicaid. Together with CMS's Innovation Center, it is working with states on the design and implementation of various approaches. An example is [Colorado, which aims to have 50 percent of its Medicaid payments tied to a value-based arrangement by 2025](#), and has already adopted alternative payment models for primary and maternity care.

APG's Medicaid Coalition will continue to monitor these developments and share information among member organizations engaged in Medicaid.

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