



September 30, 2022

Welcome to "Washington Update," the weekly e-newsletter on the latest health care happenings in the nation's capital that affect APG's members.

*Know people who may enjoy receiving it? **Forward this email and have them [click here](#) to be added to the subscription list.** And remember to visit [APG's website](#) for more news and resources, or contact a member of APG's Washington, DC, policy and communications team below.*

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APG Members to Congress: Extend Medicare Advanced Alternative Payment Model Bonus

As a key part of its advocacy strategy, APG teamed with the National Association of ACOs (NAACOS) and Premier, Inc. to conduct a congressional briefing on Sept. 29 highlighting the importance of extending [Medicare's 5 percent bonus that clinicians can receive for participating in advanced alternative payment](#)

models (AAPMs.) Without congressional action, 2022 will be the last performance year for which clinicians may receive the bonus.

APG Board Member [Dr. Robert Fields](#) of Mount Sinai health system, and Village Medical's business development executive, [Dr. Jon Regis](#), were among featured panelists making powerful arguments for extending the bonus to a packed audience of congressional staff and key stakeholders.

Fields spoke of how the bonus payments constitute a vital incentive and source of financial support for organizations bent on transforming primary care – especially amid the lingering stresses of the pandemic. “The work doesn’t stop,” he said. “The system is so stressed. In the current [largely fee-for-service] model, the only recourse is to do more, and there is no more to be had.” Care must be restructured if it is to truly improve patients’ health outcomes, he said, but “fee-for-service is not structured to provide care differently. It is structured to provide more.”

Continuing that theme, Regis spoke of how the bonuses and population-based payments built into value-based care models enabled VillageMD primary care practices to remain open during the pandemic and provide telehealth and other services even as outpatient visits were halted. Similarly, such resources have paid for care coordinators and other staff who reach out to patients with chronic illnesses to bring them in for “wellness” visits, and help guide them to appropriate specialists and subspecialists as needed.

[Dr. Mark McClellan](#), the founding director of the Duke-Margolis Center for Health Policy and former CMS administrator and Food and Drug Administration commissioner who moderated the discussion, pointed out that the AAPM bonus “helps with these big shifts” that are needed to restructure the system. **Rep. Brad Wenstrup** (R-Ohio), a podiatrist and co-chair of the House GOP Doctors’ Caucus, highlighted bipartisan support of [legislation to extend the bonus](#). (Another cosponsor of the bill, **Rep. Ami Berra**, D-CA, who is also a physician, had been scheduled to speak at the briefing but was unable to appear at the last minute due to a conflict).

APG’s Washington policy team will continue to monitor congressional support for extending the bonus and report back to APG members on the prospects in the post-election legislative period described below.

Stopgap Spending Bill Sets Up December Showdown

Even as President Joe Biden is poised to sign a short-term [continuing resolution](#) (CR) to keep the federal government funded through mid-December, a massive, end-of-year legislative struggle looms on more than a dozen competing health care provisions. APG will continue its advocacy efforts on Capitol Hill to ensure that members’ priorities survive the struggle.

The short-term CR spending package includes a handful of health care measures, including higher Medicaid rates for Puerto Rico, Guam, the U.S. Virgin Islands and other U.S. territories. Those measures run through Dec. 16, at which time Congress must vote on any longer-term extensions. The package also includes a 5-year reauthorization of the prescription drug user fee program.

Given the limited scope and timeline of the CR spending package, a scramble is thus likely to emerge as Congress shapes a broader spending package in the post-election, “lame duck” period ahead. In addition to the 5 percent Medicare bonus payment for AAPMs, (see the brief above), other APG-supported measures that Congress must consider include a rollback of a collective 10 percent reduction in Medicare physician payments; an extension of the current telehealth and hospital-at-home flexibilities; and targeted fixes to MACRA.

To meet federal budgetary rules requiring that any new spending be offset with other spending cuts or tax hikes, Congress may pay for these measures by tapping \$7 billion [in other funding aimed at improving the fee-for-service Medicare program](#). The relentless budgetary math could limit the length of time that the AAPM bonus can be extended, and also drive further cuts in Medicare physician payments next year. Other initiatives, such as Congress’s effort to boost the nation’s mental health workforce, could be sidelined until 2023.

MedPAC Considers the Future of Telehealth in Medicare

As previously reported, Congress is considering legislation to extend pandemic-era flexibilities under Medicare in the use and payment for telehealth for as long as two years past the end of the public health emergency. During a [virtual public meeting this week](#), the Medicare Payment Advisory Commission (MedPAC) considered telehealth’s impact on Medicare payment, access, and quality, and contemplated future options.

Several Commissioners raised concerns about telehealth’s potential for leading to overuse and overspending, but also noted that including its use in alternative payment arrangements like ACOs, where clinicians are responsible for the quality and total cost of care, largely addresses those concerns.

MedPAC will continue its discussion on telehealth over the next several months before making official recommendations to Congress next June.

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