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WASHINGTON UPDATE



March 31, 2023

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

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Matt DoBias
Vice President, Congressional Affairs
mdobias@apg.org

Jennifer Podulka
Vice President, Federal Policy
jpodulka@apg.org

Garrett Eberhardt
Executive Director, Medicaid Policy
geberhardt@apg.org

Greg Phillips
Director of Communications
gphillips@apg.org

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Bipartisan Legislation Aims to Address Medicare Advantage Overpayments

The first of what could be a number of Congressional proposals to rein in excess payments to Medicare Advantage (MA) plans emerged this week, as U.S. Senators Bill Cassidy (R-LA) and Jeff Merkley (D-OR) introduced [legislation](#) to reform risk adjustment in the MA program. The proposal comes as the Biden Administration weighs sweeping changes in MA risk adjustment coding that have raised concerns among MA plans and provider groups like APG (see [Washington Update](#), March 10, 2023).

Under the Cassidy-Merkley bill, dubbed the “No UPCODE Act,” the Centers for Medicare & Medicaid Services (CMS) would be directed to make two key changes in risk adjustment methodology. First, CMS would use two years of diagnostic data when available – as distinct from the one-year of data now required. Second, the bill would disallow diagnoses collected either by a chart review or health risk assessments (HRAs), which federal regulators have [found some MA plans use](#) to maximize MA enrollees’ diagnoses and thus, boost plans’ risk adjustment payments.

MA plans’ use of these chart reviews or HRAs, which are often conducted by contracted entities, have come under harsh criticism on Capitol Hill. “These companies have built entire businesses around making beneficiaries look as sick as possible, and unsurprisingly government watchdogs have discovered widespread abuse,” said Sen. Elizabeth Warren (D-MA) at a Senate hearing last week. In the House of Representatives, Rep. Anna Eshoo (D-CA), the top Democrat on the Energy & Commerce Committee’s health panel, [echoed](#) that criticism this week.

APG has made clear that its members do not condone inappropriate diagnostic coding and has [strongly encouraged](#) CMS to use the tools at its disposal to crack down on fraud and abuse. To curb use of HRAs conducted by entities not directly providing patient care, APG has also [recommended that CMS](#) ensure that physicians or affiliated providers should undertake diagnostic coding, and that patients’ medical records should reflect care plans for dealing with patients’ conditions. In addition, APG continues to analyze other potential MA policies to improve coding and payment accuracy and ensure the program’s integrity.

HHS Secretary Becerra Defends Medicare Advantage Advance Notice on the Hill

HHS Secretary Xavier Becerra, appearing before several House committees this week, continued to defend the proposed changes outlined in the Medicare Advantage (MA) Advance Notice even as APG and other health care stakeholder groups repeated their concerns over potential disruptions in care for vulnerable populations.

Appearing before the House Energy & Commerce Committee, Becerra pushed back against the assertion that the notice would cut MA payments to health plans and—by extension—providers. “These insurance companies will get more money this year than they got last year,” he said, addressing a question from the committee’s chair, Cathy McMorris Rodgers (R-WA).

APG and members continue to advocate for CMS to delay, alter, or phase in the agency’s proposed overhaul of the risk adjustment model. Numerous studies agree that CMS’s proposal will disproportionately harm beneficiaries who are dually eligible for Medicare and Medicaid, chronically ill, Black or LatinX, or otherwise disadvantaged. APG joined leaders of [AHIP](#) and the [SNP Alliance](#) to reiterate these concerns earlier this week in a special “listen-only” call with staff from White House Office of Management and Budget (OMB), CMS, and other key Administration offices.

CMS is required to release a final decision on the agency's risk adjustment and other proposals included in the [Advance Notice](#) by Monday, April 3. APG will share insights with members in a special Deep Dive Webinar planned for Thursday, April 6 at noon ET. Watch your email for a registration link.

AHRQ Seeks Input on Surveying Patients on Prenatal and Childbirth Care

New mothers may soon be able to share their obstetrical experiences and rate their providers through the Consumer Assessment of Healthcare Providers and Systems (CAHPS®) survey, according to a new [request for information](#) issued by the Agency for Healthcare Research and Quality (AHRQ). Although CAHPS® is widely used throughout health care, there are at present no survey questions designed to measure prenatal and childbirth care from the patient's perspective, according to AHRQ.

The request, issued earlier this month and geared towards providers and health systems, focuses on multiple potential measurable areas—including patients' assessments of communications with their providers; their impressions of whether or not the patient-provider experience was respectful; patients' access to services; and any perceptions of patients that bias was reflected in the care they received.

Comments are due to the agency by May 5.

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