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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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Improved Care Coordination Eyed Under New CMMI Cancer Model

Physicians treating patients with seven types of cancer can provide additional medical, social, and care coordination services under a new Center for Medicare and Medicaid Innovation (CMMI) [model](#) that launched July 1. The Enhancing Oncology Model is built on lessons learned from the preexisting 2016-2022 Oncology Care Model, which an [evaluation](#) showed resulted in net losses for Medicare. The Oncology Institute is among several APG member organizations participating in the model, which will run from 2023-2028.

Participating physician groups will be responsible for the total cost of care during a six-month span for patients receiving chemotherapy for breast, chronic leukemia, small intestine and colorectal, lung, lymphoma, multiple myeloma, and prostate cancers. They will be paid fee-for-service Medicare rates, with two additional types of incentives: a \$70 per-beneficiary-per-month (PBPM) payment to support care transformation (plus an additional \$30 beneficiaries who are dually eligible for Medicare and Medicaid), plus a potential performance-based payment (PBP) or performance-based payback [“recoupment”] based on quality measures and the total cost of care, including drugs.

Overlap of this program with other CMS/CMMI models, such as Medicare ACOs, have generated concerns from participants in these other models over policies that could impact patient attribution, baseline targets and potential savings. APG will provide education and support to members as the model progresses.

Telehealth May Become a Permanent Option in Traditional Medicare

Findings from a recent MedPAC report and proposed bipartisan legislation suggest that policymakers may act soon to make telehealth a permanent option in the traditional Medicare program. MedPAC found that telehealth flexibilities introduced during the pandemic improved access slightly without harming quality and with a minimal increase in costs. Now, the bipartisan Creating Opportunities Now for Necessary and Effective Care Technologies ([CONNECT](#)) for Health Act of 2023 would build on recent [extensions](#) of these flexibilities, including by permanently eliminating the pre-pandemic geographic restrictions that forbade a telehealth visit from a Medicare beneficiary’s home. CONNECT would also expand the use of remote patient monitoring in Medicare.

Despite the movement to cement telehealth coverage in Medicare, sticking points remain. Audio-only coverage of telehealth visits by phone – a lifeline for many populations in the pandemic – would not be covered under CONNECT. Future reimbursement levels for telehealth remain uncertain, both within Medicare and other forms of insurance. And although [some states have relaxed licensure restrictions](#) to continue allowing the provision of telehealth by providers across state lines, others have not, and have reimposed their pre-pandemic licensure requirements.

APG will continue to advocate for passage of the CONNECT bill and for providers’ ability to practice telehealth nationwide.

Hospitals Push Back on Site-Neutral Payments, Pointing Fingers at Consolidation of Physician Practices

Amid a groundswell of bipartisan support in Congress for more site-neutral payments in Medicare, hospitals are pushing back. In a recent [brief](#), the American Hospital Association argued that paying hospital outpatient departments (HOPDs) more for services provided there than in other outpatient settings was justified for multiple reasons – including the fact that patients in HOPD’s are generally sicker than those cared for in physicians’ offices or other ambulatory settings. But the AHA also took aim at arguments that hospitals are employing doctors to boost HOPD revenues by pointing the finger at what it said was an even greater trend: that larger physician groups,

corporations, health insurers, and private equity investors have been the largest purchasers of physician practices during the last five years.

APG is proud to note that many of its members are in the categories pointed to by the AHA and are leading the way in transforming health care and taking on ever-greater accountability for costs and quality. Part of that cost-and-quality consciousness is providing care in sites that are optimal for patients and the nation – a reason APG continues to support site-neutral payment policies.

APG Advises CMS on How to Improve Medicaid and CHIP Managed Care

APG this week offered the Centers for Medicare & Medicaid Services (CMS) [recommendations](#) for improving managed care arrangements under the Medicaid and Children’s Health Insurance Program (CHIP). Among them: that CMS should clarify whether telehealth visits can be used to meet patient access standards for Medicaid managed care organizations and affiliated providers. APG’s recommendations came in response to the agency’s earlier [proposed rule](#) seeking stakeholder input.

Read APG’s full letter [here](#).

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