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**August 11, 2023**

**To our subscribers: Washington Update is taking a summer break next week. We will be back the following week with our latest update.**

*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 email [communications@apg.org](mailto:communications@apg.org) 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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#### Medicare and Medicaid Drive Calls for New Bipartisan Commission on Debt and Deficit

In a classic case of Washington déjà vu, [calls have emerged](#) yet again for a new bipartisan fiscal commission to tackle the nation's long-term debt and deficit – one in which Medicare and Medicaid would inevitably be in the crosshairs. The spark this time: a new Congressional Budget Office (CBO) [report](#) showing that the federal budget deficit was \$1.6 trillion in the first 10 months of fiscal 2023, more than twice the shortfall recorded during the same period last year. The report also projects that the federal debt

will reach 102 percent of the Gross Domestic Product by the end of the fiscal year, the highest level since 1964.

Key drivers of the currently higher federal spending rates are increased Medicare outlays of \$104 billion, largely due to changes in payment and in the types and quantity of care provided to beneficiaries. Also a factor is higher Medicaid spending of \$29 billion, thanks in part to COVID-era enrollment protections in Medicaid that are now “unwinding.” But juxtaposed with the current higher spending is the conclusion of the recent [Medicare Trustees report](#): That long-term Medicare spending projections are if anything unrealistically low, since they are based on paltry increases in projected provider payment rates that could decimate care for the poor and older adults.

Given the current fractious political climate, the likelihood of the creation of any commission to address these complex issues is in doubt – as is the potential that a panel could bridge contentious differences over taxes and spending. APG will continue to monitor the debate and keep its members apprised of developments.

### **APG in Washington: Recent and Future Happenings**

APG held a member focus group last week on CMS’s request for information (RFI) for a new [Episode-Based Payment Model](#), with the aim of incorporating members’ recommendations into a comment letter to the agency due August 17. APG members who were unable to attend the focus group should provide any feedback on CMS’s RFI to Valinda Rutledge at [vrutledge@apg.org](mailto:vrutledge@apg.org) or Jennifer Podulka at [jpodulka@apg.org](mailto:jpodulka@apg.org) as soon as possible.

Forthcoming member engagement opportunities are as follows:

- APG’s new Government Relations (GR) Special Interest Group will convene for its inaugural meeting on Monday, August 14 from 1:30-2:30pm ET. GR contacts among APG members who wish to participate should contact Valinda Rutledge at [vrutledge@apg.org](mailto:vrutledge@apg.org), Jennifer Podulka at [jpodulka@apg.org](mailto:jpodulka@apg.org), or Garrett Eberhardt at [geberhardt@apg.org](mailto:geberhardt@apg.org).
- APG plans “virtual visits” in September to connect APG members with members of Congress and their staffs. This fall, Congress will consider key measures with significant impact on physician groups, such as site-neutral payment policies and requirements for reporting changes in ownership of health care organizations. We strongly encourage members to participate. Please contact Valinda Rutledge at [vrutledge@apg.org](mailto:vrutledge@apg.org), Jennifer Podulka at [jpodulka@apg.org](mailto:jpodulka@apg.org), or Garrett Eberhardt at [geberhardt@apg.org](mailto:geberhardt@apg.org).
- [APG’s Annual Fall Conference – Catalyst or Collision Course: Can AI Drive Better Value in Health Care for All? – will take place on](#) October 30 – November 1 at the Grand Hyatt Hotel in DC. The October 30 “Policy Day” will focus on both federal and commercial-sector policies influencing value-based care. [Register by August 31](#) to take advantage of the super early bird discount.

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Fall Conference 2023

Catalyst or Collision Course:  
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