



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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Basket Of Health Care Proposals Advanced By Senate Finance Committee

Moderating Medicare physician fee cuts, boosting mental health care, and extending a shrunken version of the Advanced Alternative Payment Model bonus, are all part of a bill passed unanimously by the Senate Finance Committee this week. The Better Mental Health Care, Lower-Cost Drugs, and Extenders [Act](#) also contains complex provisions designed to ensure that Medicare beneficiaries, rather than health plans or pharmacy benefit managers (PBMs), gain the advantages of drug rebates in the form of lower prices and coinsurance.

The proposal now stakes a Senate claim on resources for health care that will be divided up in any fiscal 2024 spending package. Its fate awaits the outcome of current discussions that could extend a continuing resolution to fund the government through mid-December or January.

Range of Proposals: Among the bill's many provisions are the following:

- A short-term boost in Medicare payment for integrated behavioral health services, such as care planning and medication support.

- Requirements that Medicare Part D plan sponsors contract with any willing pharmacy that meets their contract terms, and that Part D enrollees must be able to access newly designated “essential retail pharmacies” that do not have a relationship with a PBM and are located in a medically underserved area.
- Requirements that Medicare Advantage (MA) Plans maintain provider directories on a public website beginning in 2026, update them at least every 90 days, and remove providers who become out-of-network within five business days.
- Extension of the Medicare bonus for clinicians participating in Advanced Alternative Payment Models but limiting the bonuses to 1.75 percent for just one year (performance year 2024).
- Effectively moderating the scheduled 2024 Medicare physician fee cut by hiking one component: a statutory increase in fees for physician services, which would rise by 2.5 percent instead of 1.25 percent. As a result, the overall 2024 reduction in Medicare physicians' fees would be 2.1 percent.

Medicare Advantage Scrutiny: Under amendments proposed by various senators that did not make it into the bill approved by the committee, MA plans would also come further under the microscope. CMS could be required to collect data from the plans on denials of prior authorization appeals and the use of artificial intelligence in prior authorization and payment determination. MA plans would also have to submit detailed encounter data on the individual services provided that included information on payment arrangements between the plan and provider, such as the allowed payment amount.

Senators who proposed these amendments said they would package them later into a separate bill. APG will keep members apprised of further developments.



Proposed Rule Targets Changes In MA Broker Fees And Ensuring Use of Supplemental Benefits

Multiple changes [proposed](#) this week by the Centers for Medicare & Medicaid Services (CMS) would expand Medicare Advantage enrollees' access to behavioral health providers; better inform them about the availability of supplemental benefits; and restrict inflated broker and agent fees that can result in steering MA enrollees to particular plans -- whether or not those plans truly meet their needs.

Commenting on the proposed rule, APG President and CEO Susan Dentzer said in a [news release](#) that APG members “stand only to gain as patients enroll in the plans best tailored to them as individuals, and plans and providers alike deliver high levels of performance and quality care.” APG will consult with its member organizations and submit further

comments to CMS on these and other aspects of the proposed rule by the deadline of January 5, 2024.



APG Announcements And Offerings

- APG will host two educational webinars on the 2024 Medicare Physician Fee Schedule and Shared Savings Program Final Rule (Thursday, November 16 at noon ET; register [here](#)) and the 2025 Medicare Part C & D Proposed Rule (Monday, December 4 at noon ET; register [here](#)).
- APG will host two focus groups to gather members' input for comment letters on the Information Blocking Proposed Rule (Wednesday, November 29, at noon ET; APG members can register [here](#)) and on the 2025 Medicare Part C & D Proposed Rule (Tuesday, December 19 at noon ET; APG members can register [here](#)).
- APG will host an Emerging Trends webinar on Thursday, November 20 at 2:00 pm ET. Valinda Rutledge will interview Frederick Isasi, J.D., M.P.H., Executive Director of Families USA (FUSA) on "What the American Public Really Wants from Their Health Care Providers." Register [here](#).

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