



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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Package of Health-Related Legislation Still On Table As Partial Government Shutdown Is Averted

Discussions continue in Congress about enacting a package of health-related legislation that could include extensions of expiring Medicare, Medicaid, and public health provisions; funding for community health centers; and possible modifications of Medicare physician fee cuts and extension of advanced alternative payment model bonuses.

APG continues to advocate strongly for enactment of the full package, with as large a reduction in the physician fee cuts as possible. Other key advocacy priorities, such as enactment of site neutral payment policies, now appear likely to be put off until later this year, possibly in a so-called lame duck session following the November elections.

Separately, Congress also averted a partial government shutdown this week, and is now committed to adopting six of 12 fiscal 2024 appropriations bills by March 8. Passage of the rest, including for the Departments of Labor, Health and Human Services, and Homeland Security, now face a deadline of March 22.



Determination Of Medicare Advantage Rates For 2025 Moves To Final Phase

APG members participating in Medicare Advantage (MA) now await the final MA and Part D Rate Announcement from the Centers for Medicare & Medicaid Services (CMS), due April 1. The agency plans to update a key number — its estimate of the average 2023 growth rate in Medicare fee-for-service spending on which the payment benchmarks for MA are based — using Medicare claims data from the fourth quarter of 2023. The result, which could show higher fee-for-service spending, could then translate into higher payments in 2025 to MA plans.

If so, that outcome could bring relief to several large MA organizations, which have reported sharply higher 2023 spending and utilization among enrollees that, for unknown reasons, differs from the pattern in traditional Medicare. As a result, they fear that MA benchmarks based on relatively lower spending in traditional Medicare may translate into flat or decreased MA revenues for them. Although plans would have multiple means of adapting to lower MA payments, the result could also be potential reductions in benefits for MA enrollees, increased cost sharing, and lower payments to providers.

APG's Views: APG cited these concerns in the [comment letter](#) that it submitted today to CMS, urging the agency to address this and other matters stemming from proposed MA policies. For example, APG recommended that CMS follow through with proposed modifications to setting MA benchmarks for Puerto Rico, given the problems inherent in deriving those spending benchmarks from the low rates of traditional Medicare coverage and consequent low Medicare spending in the U.S. territory. APG also incorporated useful feedback from its members on such issues as changes in Star Ratings.

APG will provide further updates to members about MA as more information becomes available, including an educational webinar to provide insights into CMS's final Rate Announcement once it is issued in April.



Medicare Beneficiaries' Confusion Over Coverage Highlighted In Survey

A recent [survey](#) of more than 3,000 Medicare beneficiaries conducted for The Commonwealth Fund shows that more than half are confused about their coverage, including whether they are enrolled in Medicare Advantage (MA), traditional fee-for-service Medicare, or Medicare

supplemental (Medigap) plans. The results highlight a potential opportunity for the Centers for Medicare & Medicaid Services (CMS), health care providers, and others to expand beneficiary awareness and education.

Despite this confusion, approximately two-thirds of respondents said in the survey that they were satisfied with their Medicare coverage. Still, somewhat greater shares of MA enrollees than those in traditional Medicare reported delays in getting care because of the need for prior authorization or approval (22 percent versus 13 percent). Nearly 3 in 10 MA enrollees said they had not used any of their supplemental benefits in the past year, and only 4 in 10 reported using their dental and vision benefits.

It isn't clear whether additional confusion played a role in beneficiaries' reports on these matters, but APG plans to devote more attention to the issue of beneficiary awareness through its Medicare Advantage Coalition. More information will follow.



APG Announcements And Offerings

- Registration is open for the APG Spring Conference in San Diego from May 29-31. Register [here](#).
- APG will host an Emerging Trends in Health Care Webinar, **How Behavioral Economics And AI Can Enhance Patient Care**, with guest Amol Navathe, MD, PhD, Associate Professor of Health Policy and Medicine at the University of Pennsylvania, and MedPAC Vice Chair. Please save the date: March 13, 1:00 – 1:45 pm ET. Register [here](#).
- Want to get more involved in APG's Federal advocacy efforts? [Join APG Advocates today](#).



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