



November 27, 2023

Academy Public Policy E-Briefing

Welcome to the Academy's Quarterly Public Policy E-Briefing. You will find this and all previous Public Policy E-Briefs on the Academy website. Please contact Joy Chen at jchen@healthsperien.com or visit the Academy's [Education](#) page on the Academy website for additional information. As well, if you are facing policy issues related to COVID-19, please contact us and/or visit our resources page [here](#). Highlights in this quarterly e-brief include:

1. [Centers for Medicare and Medicaid Services \(CMS\) Releases Calendar Year \(CY\) 2024 Medicare Physician Fee Schedule \(MPFS\) and Quality Payment Program \(QPP\) Final Rule](#)
2. Senate Finance Committee Releases Discussion Draft on Mental Health and Pharmacy Benefit Manager (PBM) Reform; Subsequently Holds Markup
3. Senator Bob Casey and Colleagues Introduce Bill to Bolster Home Care Workforce
4. CMS Announces the Launch and Request for Applications (RFA) of the New Guiding an Improved Dementia Experience (GUIDE) Model
5. Members of Congress Send Letters to Managed Care Organizations (MCOs) Due to Concerns About High Rates of Prior Authorization Denials
6. House Energy and Commerce Committee Hosts Legislative Hearing Examining Physician Reimbursement Models and the MPFS
7. HCTTF Publishes Vision for Transforming Value-Based Care

[CMS Releases CY 2024 MPFS and QPP Final Rule](#)

On November 2, 2023 the Centers for Medicare and Medicaid Services (CMS) [released \(fact sheet\)](#) the calendar year (CY) 2024 Medicare Physician Fee Schedule (MPFS) and Quality Payment Program (QPP) Final Rule, which finalizes policy changes for Medicare payments under the MPFS and other Medicare Part B issues, on or after January 1, 2024. CMS notes this final rule is one of several final rules that reflect a broader Administration-wide strategy to create a more equitable health care system that results in better access to care, quality, affordability, and innovation. A detailed summary of the final rule can be found in [Healthsperien's comprehensive summary](#), and more information can be found on CMS's [CY 2024 MPFS Fact Sheet](#) and [CY 2024 Quality Payment Program Fact Sheet](#).

The overall payment rates under the MPFS are expected to be reduced by 1.25% in CY 2024 compared to CY 2023. The final CY 2024 PFS conversion factor is \$32.74, a decrease of \$1.15 (or 3.4%) from the current CY 2023 conversion factor of \$33.89.

Notably, CMS also finalized their proposals to:

Support caregiver training services

- Make payment when practitioners train caregivers to support patients with certain diseases or illnesses (e.g., dementia) in carrying out a treatment plan.

Address Health-Related Social Needs

- Pay separately for Community Health Integration, Social Determinants of Health (SDOH) Risk Assessment, and Principal Illness Navigation services to account for resources when clinicians involve certain types of health care support staff such as community health workers, care navigators, and peer support specialists in furnishing medically necessary care.

Support Evaluation and Management (E/M) visits

- Implement a separate add-on payment for healthcare common procedure coding system (HCPCS) code G2211, which can only be billed for office and outpatient visits (not including home visits).

Bolster telehealth services

- Implement several telehealth-related provisions and behavioral health proposals as outlined in the Consolidated Appropriations Act, 2023 (CAA, 2023).

Senate Finance Committee Releases Better Mental Health Care, Lower-Cost Drugs, and Extenders Act; Subsequently Holds a Markup

On November 2, 2023, Senate Finance Committee Chair Ron Wyden (D-Ore.), and Ranking Member Mike Crapo (R-Idaho) [released](#) a discussion draft including policies aimed at expanding mental health care and mental health parity for Americans with Medicare and Medicaid coverage, reducing prescription drug costs for seniors, extending Medicaid and Medicare provisions that expire in 2023, and changing Medicare payments to support physicians. Key provisions addressing Medicare expiring provisions and provider payment changes include:

- Extending the Independence at Home Medical Practice Demonstration Program under the Medicare program.
- Increasing support (+1.25%) for providers in adjusting to Medicare payment changes.
- Extending incentive payments for participation in eligible alternative payment models.
- Implementing payment rates for durable medical equipment under the Medicare program.
- Extending the adjustment of hospice cap amount under Medicare.

During a markup on November 8, 2023, Committee members discussed at length the proposed improvement to health proposals, with a specific focus on their recommendations for a one-year increase to Medicare physician payments (1.25% increase) and discussed their interest in bringing telehealth and mental health services to primary care facilities to improve Americans' abilities to find the care they need. HealthSperien's full notes on the markup can be found [here](#).

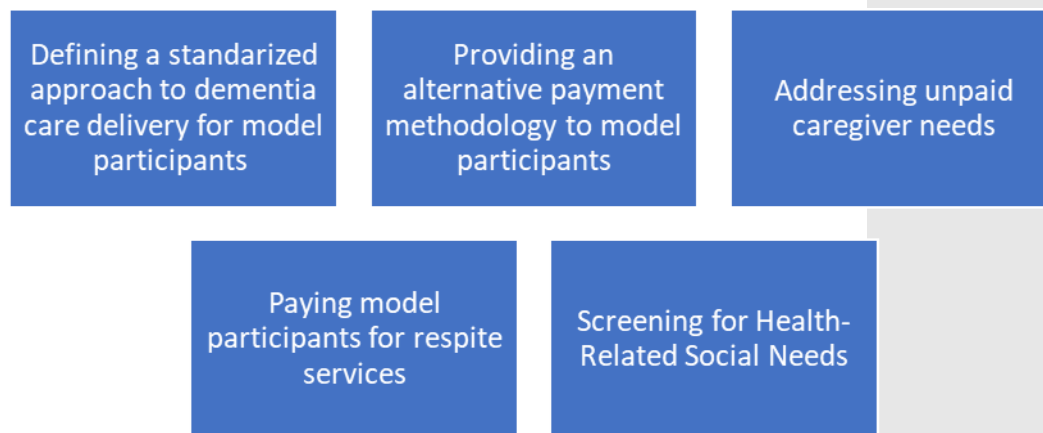
Senator Bob Casey and Colleagues Introduce Bill to Bolster Home Care Workforce

On October 24, 2023, Senator Bob Casey (D-PA)—Chairman of the Senate Special Committee on Aging—led a group of 17 Democratic colleagues in introducing the [Home and Community-Based Services \(HCBS\) Relief Act of 2023](#). The proposed legislation would support state programs funding home and community-based long-term care services dealing with significant staffing shortages and reduced HCBS availability [despite growing demand](#). The HCBS Relief Act would provide dedicated Medicaid funds to states for two years to stabilize their HCBS service delivery networks, recruit and retain HCBS direct care workers, and meet the long-term service and support needs of people eligible for Medicaid home and community-based services. On November 8, 2023, a House version of the HCBS Relief Act was [introduced](#) by Rep. Debbie Dingle (D-MI).

CMS Announces the Launch and RFA of GUIDE Model

On July 2023, CMS [announced the launch](#) of the new Guiding an Improved Dementia Experience (GUIDE) Model, which aims to improve the quality of life for people living with dementia and reduce strain on their unpaid caregivers. A primary goal of the model is to help beneficiaries remain in their residences and communities longer, decompress skilled nursing facilities, and generate savings for Medicare. Importantly, participants in other value-based models are allowed to participate in the GUIDE model, except for PACE programs, Special Needs plans, and Medicare Advantage plans. Safety-net providers participating in the new program track will be [eligible](#) for a one-time, lump-sum infrastructure payment to support program development activities and model participants will also receive a monthly per-beneficiary amount for providing care management, care coordination, caregiver education, and support services to beneficiaries and caregivers. Additionally, participants can bill for respite services for beneficiaries with a caregiver and moderate to severe dementia, up to an annual respite cap amount.

The GUIDE Model aims to address the key drivers of poor-quality dementia care in five ways:



Following this, on November 7, 2023, CMS released [the Request for Applications](#) for the GUIDE Model. The GUIDE Model will be an 8-year voluntary national model beginning with Performance Year 1 on July 1, 2024—for established programs—and is available to participants who deliver supportive services to people with dementia, including person-centered assessments and care plans, care coordination, and 24/7 access to a support line. **Applications are due by January 30, 2024.**

[House Energy and Commerce Committee Hosts Legislative Hearing on Examining Physician Reimbursement Models and the Medicare Physician Fee Schedule](#)

On October 19, 2023, the House Energy and Commerce Committee convened a [hearing](#) titled *"What's the Prognosis?: Examining Medicare Proposals to Improve Patient Access to Care & Minimize Red Tape for Doctors"* focused on enhancing patient access within the Medicare program, with a particular focus on physician reimbursement. During two sessions, the committee heard from a panel of distinguished witnesses, including:

- Dr. Meena Seshamini, Director of the Center for Medicare at the Centers for Medicare and Medicaid Services
- Leslie Gordon, Director of Health Care at the U.S. Government Accountability Office
- Paul Masi, Executive Director of the Medicare Payment Advisory Commission
- Dr. Steven Furr, President-elect of the American Academy of Family Physicians
- Dr. Debra Patt, Executive Vice President from Texas Oncology
- Mr. Joe Albanese from Paragon Health Institute
- Mr. Matthew Fiedler, Joseph A. Pechman Senior Fellow at the Brookings Schaeffer Initiative on Health Policy at the Brookings Institution.

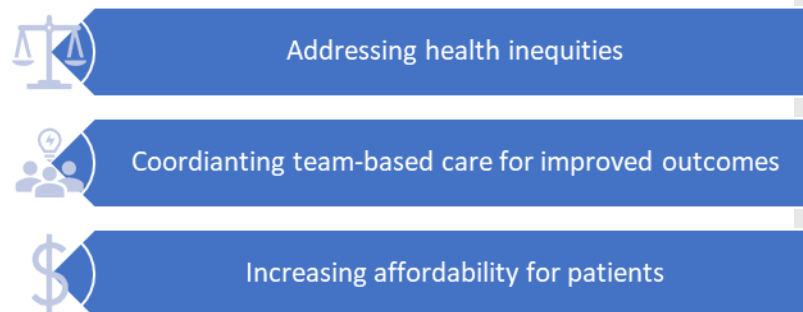
These witnesses provided insights into their experiences with Medicare, drawing from their roles as physicians and health policy experts. Committee members engaged in discussions about the potential impact of modifying physician reimbursement payment models, particularly the physician fee schedule, on addressing physician shortages and enhancing healthcare access for senior citizens and rural communities. Overall, Democrats expressed concern that most of the discussion drafts they were expected to review were introduced less than a week before the hearing, with many of these drafts being incomplete. Meanwhile, Republicans contend that increasing inflation has contributed to higher costs for medical practices. A detailed summary of Healthspieren’s comprehensive coverage can be found [here](#).

Members of Congress Send Letters to MCOs Due to Concerns About High Rates of Prior Authorization Denials

On October 3, 2023, Senate Finance Committee Chair Ron Wyden (D-OR) and House Energy and Commerce Committee Ranking Member Frank Pallone, Jr. (D-NJ) [sent a series of letters](#) to Medicaid Managed Care Organizations (MCOs) due to concerns about high rates of prior authorization denials for patients. This action follows a [report](#) by the Department of Health and Human Services (HHS) Inspector General, which found that Medicaid MCOs were denying health services at a rate of 12.5%, double the denial rate in Medicare Advantage. Wyden and Pallone noted their worry that MCOs might be improperly denying necessary care, potentially driven by financial incentives. They requested documentation and answers from several major MCOs, seeking information on their prior authorization practices and algorithms including their use of machine learning and artificial intelligence. The investigation aims to ensure that MCOs prioritize patient care over profits for low-income Americans enrolled in Medicaid. Letters were sent to the following companies: Aetna Inc., AmeriHealth Caritas, CareSource, Centene Corporation, Elevance, Milina Healthcare Inc., and United Healthcare.

HCTTF Publishes Vision for Transforming Value-Based Care

On October 5, 2023, the [Health Care Transformation Task Force](#) (HCTTF) published their [vision for transforming value-based care](#) to make it more patient-and family-centered. Driving this work, the group acknowledges that 80 to 90 percent of health is rooted in socioeconomic and environmental factors, including societal inequities. The HCTTF also believes that consumers should be front and center in all stages of value-based care design and decision-making to ensure high-quality care and equity are prioritized. The cornerstone of their vision includes three overarching themes, which include:



Lastly, the HCTTF calls for continued support of clinicians through an extension of the Medicare Access and CHIP Reauthorization Act (MACRA) 3.5 percent incentive payment for Advanced Alternative Payment Models (AAPMs), which is set to expire at the end of Performance Year 2023—which has been essential to continued investment in transforming care delivery from traditional Fee-for-Service to newer AAPMS.

The American Academy of Home Care Medicine has been serving the needs of thousands of home care medicine professionals since 1988,

through an interdisciplinary team of HBPC care providers working with patients' community supports. Our members include home care physicians, nurse practitioners and physician assistants who make house calls, care for homebound patients, act as home health agency and hospice medical directors, and refer patients to home care agencies; home care organizations; medical directors of managed care plans; and administrators of medical groups interested in home care. Their specialties include internal medicine, family practice, pediatrics, geriatrics, psychiatry, and emergency medicine.

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