

EDITION: August 2, 2019



***NOTE:** HLB's Health Policy Update will only be sent out intermittently during the August Congressional Recess.

CONGRESSIONAL

Senate Finance Passes Drug Pricing Legislation

On July 25, the Senate Finance Committee passed the [Prescription Drug Pricing Reduction Act \(PDPRA\) of 2019](#) by a vote of 19-9. This bipartisan legislation would overhaul drug pricing for Medicare and Medicaid and is expected to save \$100 billion over 10 years. Senate Finance leaders are aiming to combine this bill with the Senate Health, Education, Labor & Pensions (HELP) Committee's [Lower Health Care Costs Act of 2019](#) which includes price transparency, surprise billing and health information exchange. Despite efforts to pass this combined legislation prior to the August Recess, these bills will be delayed until the Senate returns in September. There are still a number of issues that have been raised with both bills, and the House is working on separate legislative efforts in these areas as well.

MACRA HIGHLIGHTS

See the proposed changes to the Quality Payment Program in CMS' [fact sheet](#) which compares to current policy.

HEALTH CARE ACTIVITIES ON THE HILL

The House of Representatives left last Friday for the August district work period and the Senate left last night. Both Chambers will return to session Monday, September 9.

DEADLINES TO KNOW

Congress Passes Budget Deal

Yesterday, the Senate passed a \$2.7 trillion, two year [budget deal](#) by a vote of 67-28. The deal was negotiated by the Administration and Congressional leadership and was already passed by the House prior to the August Recess. The budget deal also lifts the debt ceiling into 2021. The legislation only provides the top-line budget numbers for defense and non-defense spending and Congress will still need to go through the appropriations process to fund government agencies past September 30, but a bipartisan budget deal alleviates some of the threat of a government shutdown over the next two years. The President is expected to sign the legislation.

ADMINISTRATION

OPPS Proposed Rule Released

On July 29, the Centers for Medicare and Medicaid Services (CMS) released its Calendar Year (CY) 2020 Medicare Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) Payment System [Proposed Rule](#). The [proposal](#) updates the OPPS payment rates by 2.7 percent and notably includes a price transparency proposal that would require hospitals to publicly disclose negotiated prices with third party payers. Additionally, there are updated policies included related to prior authorization, 340B, organ procurement organizations, and site neutral payment policies. Comments are due September 27.

PFS Proposed Rule Released

On July 29, CMS released its CY 2020 Physician Fee Schedule [proposed rule](#) which included updates to the Medicare Shared Savings Program (MSSP), Quality Payment Program, and Medicare Enrollment of Opioid Treatment Programs. The [proposal](#) included payment changes for telehealth, E/M services, care management services, and solicits comment on potential changes to the Stark advisory opinion process. Comments are due September 27.

September 9: [Home Health PPS Proposed Rule Comments](#)

September 16: [Specialty Care Models Proposed Rule Comments](#)

September 27: [Physician Fee Schedule, OPPS, and ESRD PPS Proposed Rule Comments](#)

Weekly Trivia

How many times has Congress raised the debt ceiling?

Click [here](#) for the answer!

ESRD PPS Proposed Rule Released

On July 29, CMS released its End Stage Renal Disease (ESRD) and Durable Medical Equipment Prosthetics, Orthotics and Supplies (DMEPOS) CY 2020 [Proposed Rule](#) providing a 1.6 percent update in ESRD facility payment compared to 2019. The [proposed rule](#) also provides updates to the Transitional Drug Add-on Payment Adjustment (TDAPA) and proposes a transitional add-on payment adjustment for new and innovative equipment and supplies (TPNIES). Comments are due September 27.

IPF Final Rule Released

On July 30, CMS released the FY 2020 Inpatient Psychiatric Facilities Prospective Payment System [final rule](#). The [rule](#) provides a 1.5 percent update in payments as well as updates to the IPF Quality Reporting (IPFQR) program for FY 2020.

SNF Final Rule Released

On July 30, CMS released the FY 2020 Skilled Nursing Facility [final rule](#). The [rule](#) provides a 2.4 percent payment update and implements the new payment model, the Patient Driven Payment Model (PDPM), set to take effect beginning October 1 basing payment on a patient's condition and level of care needed.

IRF PPS Final Rule Released

On July 31, CMS released the FY 2020 Inpatient Rehabilitation Facility (IRF) Prospective Payment System (PPS) [final rule](#). The [rule](#) provides a 2.5 percent payment update and changes to the IRF Quality Reporting Program (QRP).

Hospice Final Rule Released

On July 31, CMS released the FY 2020 Hospice [final rule](#). The [rule](#) provides a 2.6 percent payment update and makes changes to the Hospice Quality Reporting Program (QRP).

Drug Importation Plan Announced

On July 31, the Department of Health and Human Services published a [Safe Importation Action Plan](#) that outlines [two potential pathways](#) for the safe importation of certain drugs through future rulemaking, pilot programs, and guidance through the agency.

ET3 RFA Portal Opening Next Week

The Center for Medicare and Medicaid Innovation (CMMI) has announced that the [Emergency Triage, Treat, and Transport \(ET3\) Model RFA Application Portal](#) will be open beginning next week via the ET3 website. They will be hosting an [Application Tutorial Webinar](#) on August 8th to assist applicants.

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