



Stay **True** to Why You
Pursued **Medicine**

Tim McNichol, Esq.

Health Care Advocacy

April 5, 2024

Richard C. Staab, DO Memorial Symposium

Disclosures



Neither I nor my spouse have had a financial relationship in any amount with any commercial interest in the past 24 months.

Learning Objectives



- As a result of participation in this session, participants will be able to:
 - Discuss the intersection of policy development and the current political environment.
 - Discuss proven and proposed policy solutions to tackle today's most pressing health threats.
 - Discuss why it is important to play a role in health care policy and how involvement may impact the future of healthcare.

2024 Congressional Composition – 118th

- U.S. Senate
 - 48 Republicans
 - 49 Democrats
 - 3 Independents
- U.S. House of Representatives
 - 219 Republicans
 - 213 Democrats
 - 3 Vacancies
- ***2/3 of Both the House and the Senate are needed to override a Presidential Veto (290 and 67 Respectively)**



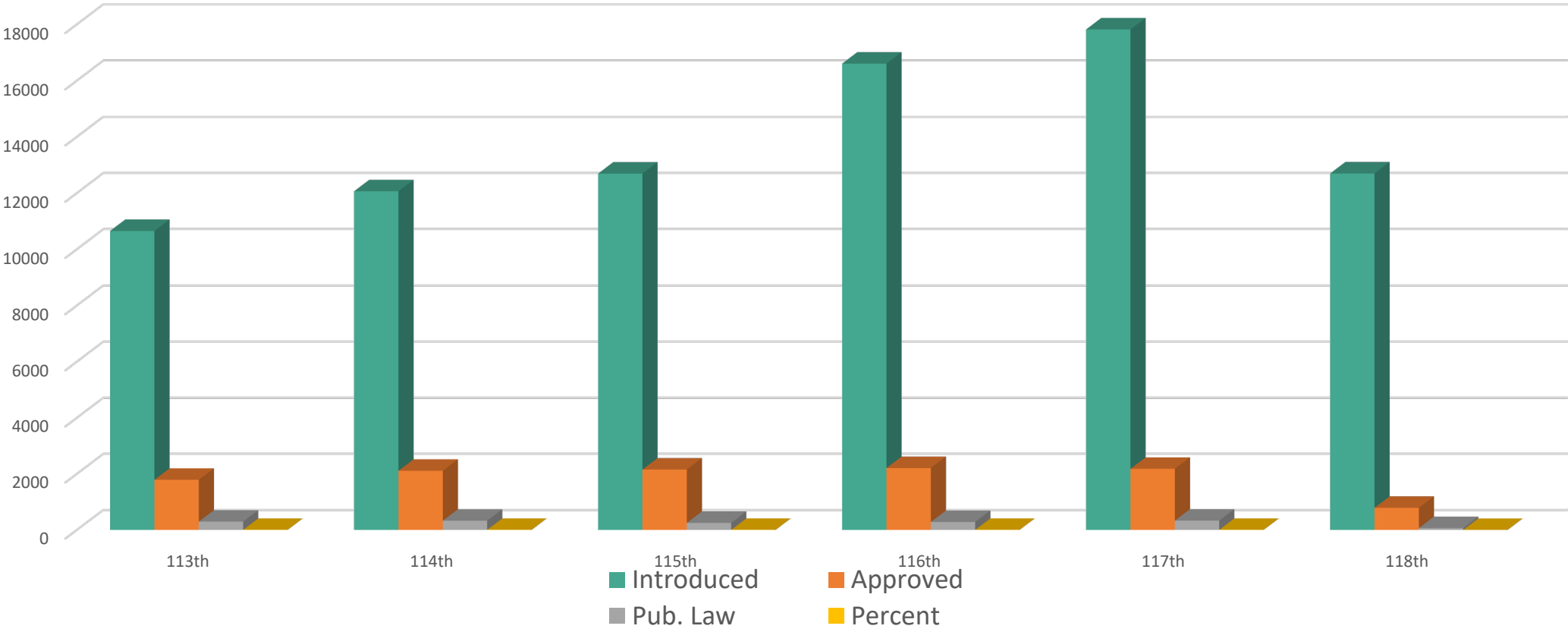
Congressional Activity by the Numbers

Congress	113 th	114 th	115 th	116 th	117 th	118 th
Introduced	10651	12063	12,691	16603	17820	12695
Approved	1788	2110	2154	2207	2179	789
Pub. Law	296	329	251	284	332	66
Percent	2.77	2.72	1.97	2.00	2.00	1.00

Compiled from Senate *Resume of Congressional Activity* data. As of February 1, 2024



Congressional Activity by the Numbers

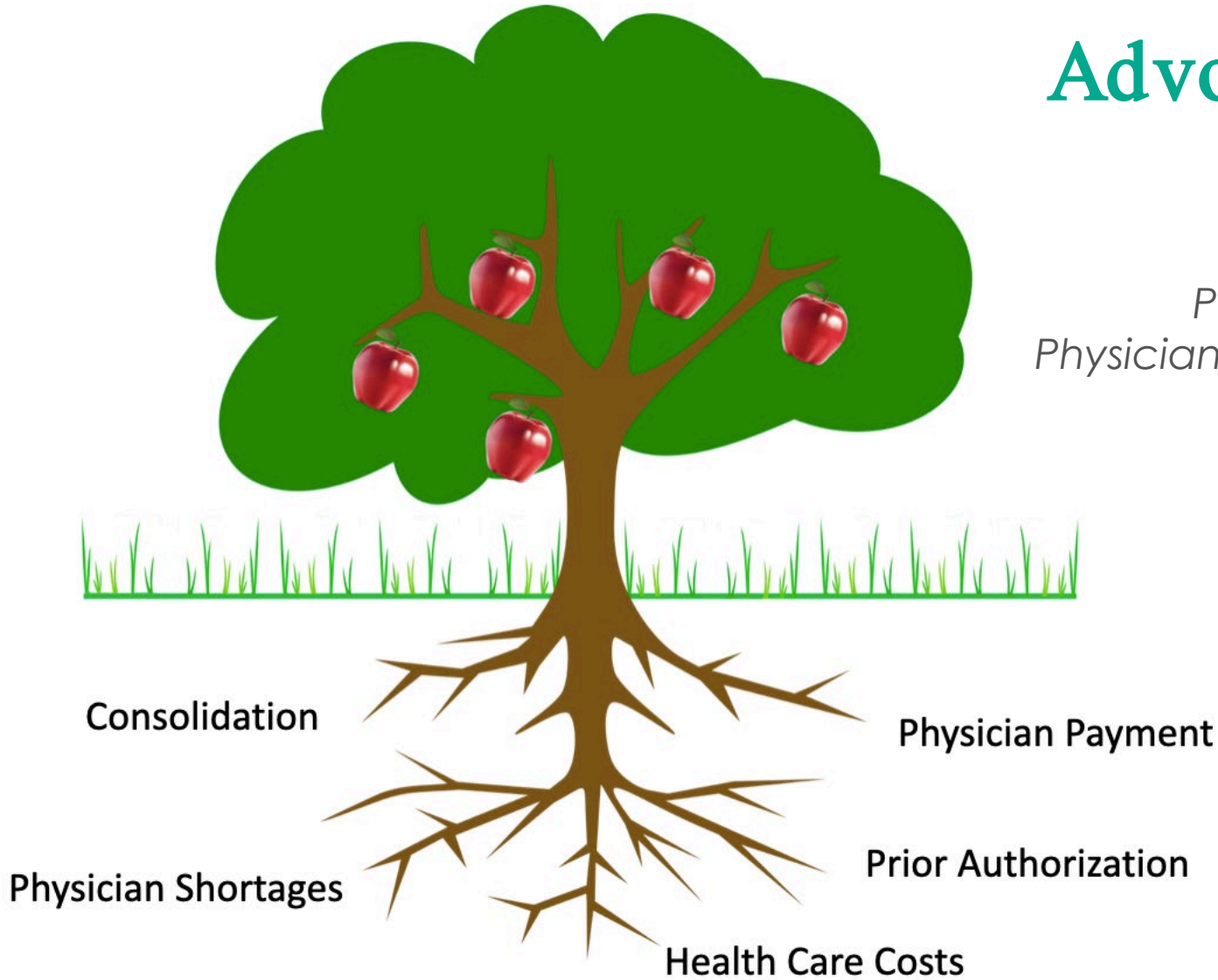


Compiled from Senate *Resume of Congressional Activity* data. As of February 1, 2024



Advocacy and Public Policy Intersect

Policies Originate from Specific Problems and Physicians Need to be Involved with Finding Solutions

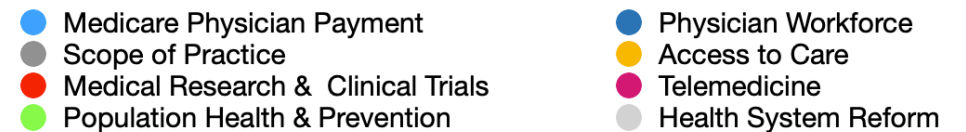
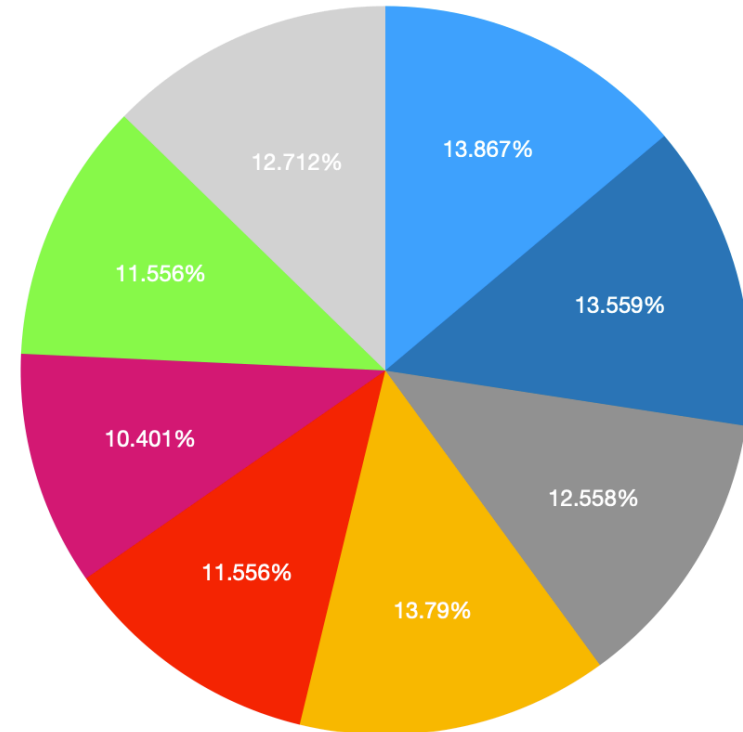


Advocacy Agenda Adopted

- Government Affairs Committee adopted advocacy agenda on April 26, 2023.
- Agenda guides ACOI's legislative and regulatory efforts for 2023 – 2024.
- Agenda was developed through extensive efforts of the Government Affairs Committee and input obtained through a member survey.

ACOI Advocacy Priority Setting
Member Survey Results

Very Important or Somewhat Important



ACOI's Advocacy Agenda

- **Ensure Medicare Physician Payment Adequacy**
- **Strengthen the Osteopathic Physician Workforce**
- **Improve Patient Access to Recommended Medical Care**
- Health System Reform
- Scope of Practice
- Population Health and Prevention
- Telemedicine
- Medical Research and Clinical Trials



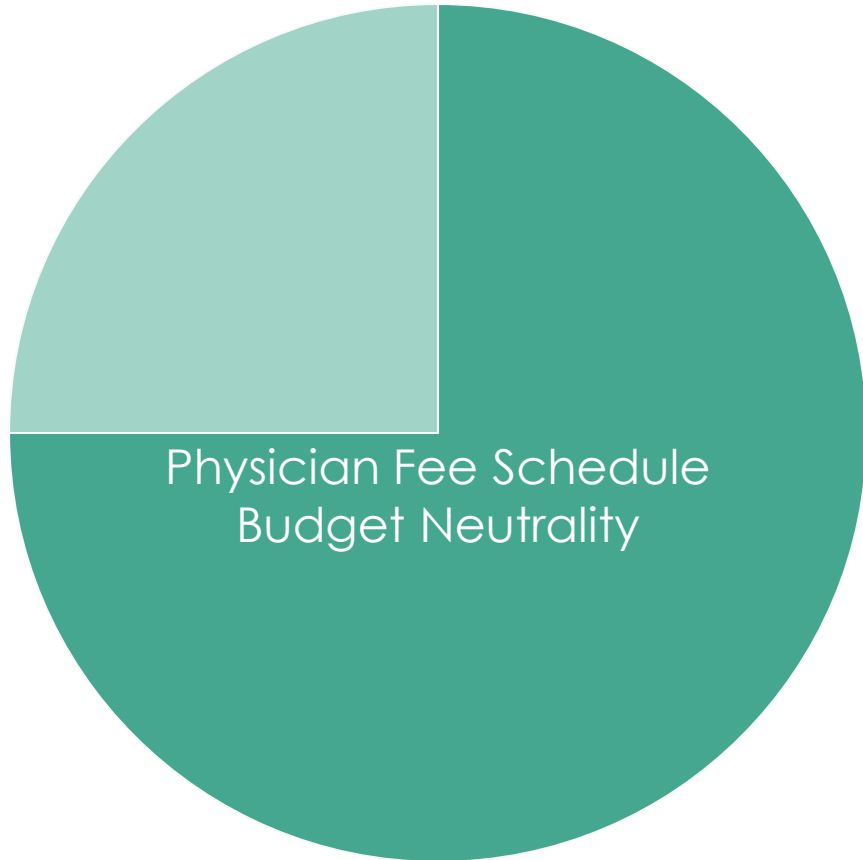
Medicare Physician Reimbursement

- Partial relief provided in December 2022
 - 2 percent reduction instead of 4.5 percent
 - All-member alert sent out to provide timely update
- Called on Congress to provide annual inflation-based payment update based on Medicare Economic Index (MEI)
- Joined in support of the *Strengthening Medicare for Patients and Providers Act*

Medicare Physician Payment Update

- On Jan. 1, 2024, a 3.37 percent cut to Medicare physician fee schedule payments took effect.
- **WHY?**
 - Roughly 90 percent of the cut is attributed to fee schedule budget neutrality requirements triggered by the impending Jan. 1, 2024, implementation of G2211, an office/outpatient evaluation and management visit complexity add-on code.
 - Also, no inflationary update (statutorily set at zero).

Medicare Physician Payment Budget Neutrality



- *Statutory mechanism created in 1989.*
- *Increases of \$20 million or more to the Medicare physician payment schedule— created by upward payment adjustments or the addition of new procedures or services — must be offset by cuts elsewhere.*

Medicare Physician Payment —Congressional Action

Congress provided an additional 1.68 percent positive adjustment effective March 9, 2024

Year	1-Year Statutory Adjustment	Final Conversion Factor	Year-Over-Year Percent Change <i>(or physician payment cut)</i>
2021	3.75%	34.8931	
2022	3.0%	34.6062	-0.82%
2023	2.5%	33.8872	-2.08%
2024	1.25% <i>(previously enacted at the end of 2022)</i> Plus 1.68% = 2.93%	TBD	-1.69% The 3.37% cut already factored in the 1.25% adjustment. Therefore... 3.37-1.68 = 1.69% negative adjustment effective 3/9/24

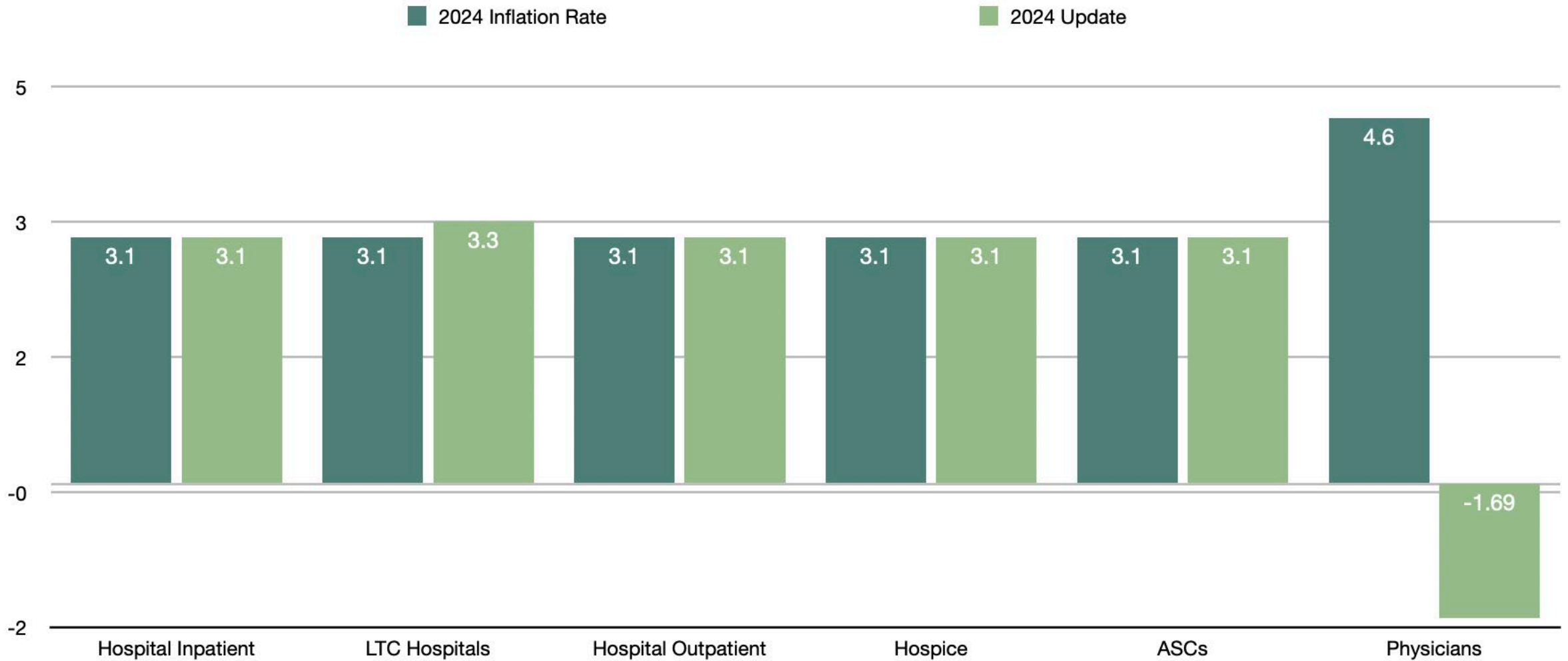




Medicare Physician Payment

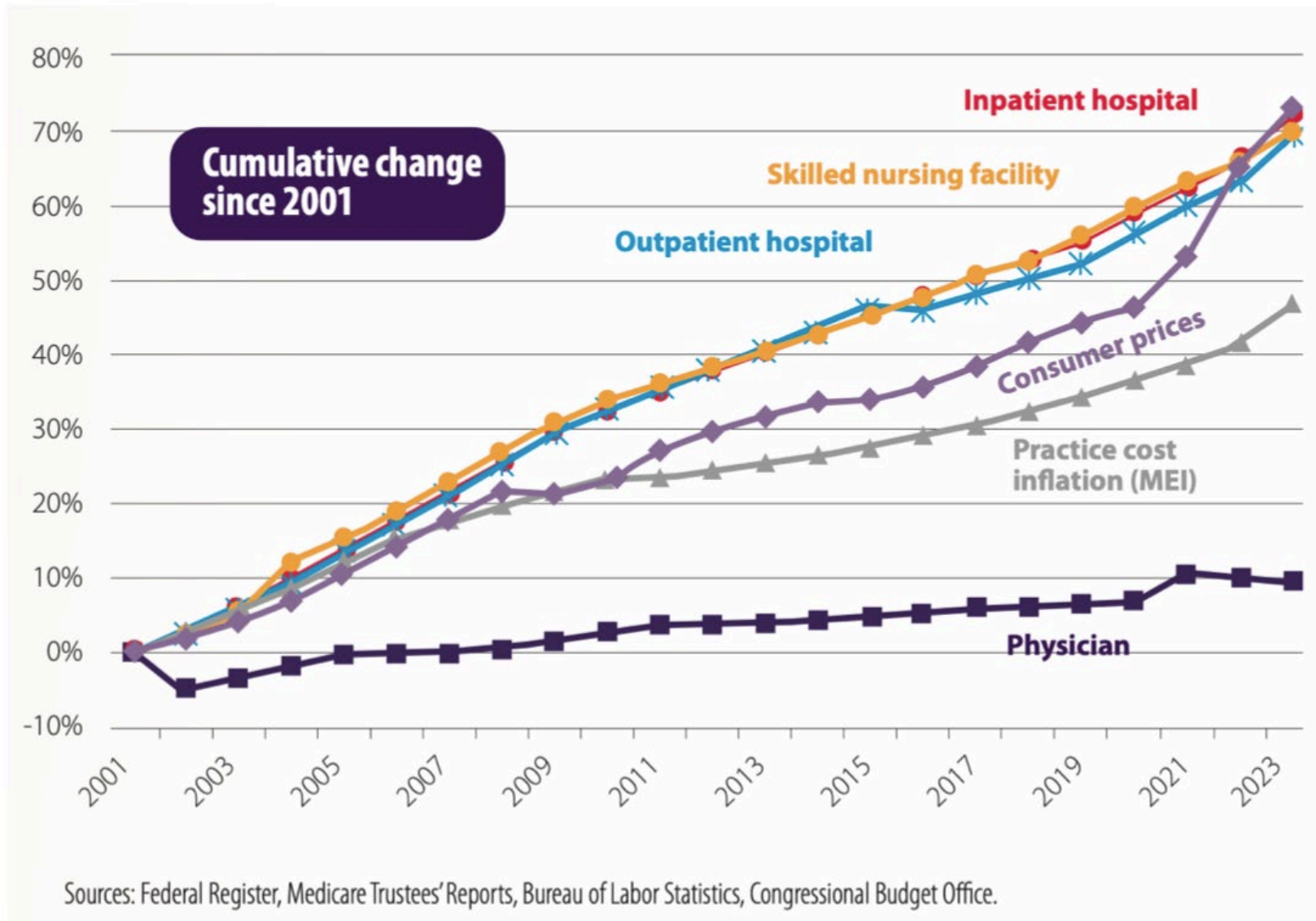
- **Why the Cut Still Matters**
- Inflation / practice costs remain high.
- It's not just about the 3.37% cut; the physician payment system is broken.

Medicare Physician Payment



Medicare Updates Compared to Inflation

Adjusted for inflation in practice costs, Medicare physician pay declined 26 percent from 2001 to 2023.



Medicare Physician Payment —What Congress Can Do

- **Reform budget neutrality rules**
 - *Under current law, If CMS projects that net pricing changes for existing services across the Medicare PFS will increase/decrease total Medicare spending by > \$20 million, CMS must reduce (or increase) all Medicare physician services by the excess amount = adjusting the Medicare conversion factor.*
- **Reduce administrative burden of the Merit-based Incentive Payment System (MIPS) and make it meaningful to physicians and patients**

Medicare Physician Payment —Congressional Activity

- House Energy & Commerce Committee held first congressional hearing on physician payment in 4 years in October 2023.
- H.R. 2474, *Strengthening Medicare for Patients and Providers Act*. Provides an inflationary update to physician payments tied to MEI.
- H.R. 6371, *Provider Reimbursement Stability Act*. Reforms budget neutrality requirements.
- New Senate bipartisan working group investigating shortcomings of PFS and Medicare Access and CHIP Reauthorization Act (MACRA) and reforms. (Sens. Cortez Masto (D-NV), Blackburn (R-TN), Thune (R-SD), Barrasso (R-WY), Stabenow (D-MI), and Warner (D-VA)).

Medicare Physician Payment —Regulatory Activity

- Medicare CY 2025 Physician Fee Schedule Proposed Rule will be released in early July.
- ACOI, with input from this committee, will draft comments.
- Rule expected to include payment cut unless Congress provides a positive payment adjustment. Cut expected at around 2.93 percent, but no major changes expected that would trigger budget neutrality requirements.
- Final rule in early November.

Community Training, Education, and Access for Medical Students Act (HR 7258)

- In February, Reps. Carol Miller (R-WV) and Ann Kuster (D-NH) introduced the Community Training, Education, and Access for Medical Students (Community TEAMS) Act of 2024.
- Legislation would create a new Health Resources and Services Administration (HRSA) grant program that funds medical school clinical rotations in rural and underserved areas.

Community TEAMS Act —Details

- Allows HRSA to issue grants to eligible entities to expand the availability of community-based training for medical students in rural areas and medically underserved communities to facilitate long-term, sustainable physician practice in high-need communities by supporting medical student clinical rotations in health care facilities in such areas and communities, including in outpatient settings.
- A grant could be for a period of 1-5 years.
- Eligible entities would include: a consortium of one or more medical schools; AND a rural health clinic, a federally qualified health center, and/or a health care facility located in a medically underserved community.
- The legislation is not specific to osteopathic medicine.



Note: Legislation does not authorize funding for the grants.²₁

Prior Authorization

- Submitted comments to the Centers for Medicare and Medicaid Services (CMS) to call for the stop of Medicare Advantage (MA) plans from denying basic benefits
- Joined with other physician organizations to magnify our voice on this important issue
- Called on CMS to reinstate Step Therapy prohibition in MA plans for Part B drugs

Prior Authorization —Final Rule

- Rule sets requirements for Medicare Advantage organizations, Medicaid and the Children’s Health Insurance Program fee-for-service programs, Medicaid managed care plans, CHIP managed care entities, and issuers of Qualified Health Plans offered on the Federally-Facilitated Exchanges
- Beginning primarily in 2026, impacted payers (not including QHP issuers on the FFEs) will be required to send prior authorization decisions within 72 hours for expedited (i.e., urgent) requests and 7 calendar days for standard (i.e., non-urgent) requests
- Requires all impacted payers to include a specific reason for denying a prior authorization request.
- Impacted payers will be required to publicly report prior authorization metrics.

FY 2024 Appropriations

- Agriculture-FDA, Energy-Water, Military Construction-VA and Transportation-HUD —COMPLETED
- Eight remaining spending measures (including Labor-HHS). Continuing Resolution expires March 22.

President's FY 2025 Budget Released on March 11

Step Therapy Advocacy

- ACOI supported the bipartisan *Safe Step Act*
 - Would amend the Employee Retirement Income Security Act (ERISA) to require that group health plans provide an exception process for any medication step therapy protocol
- Press release from Senator Lisa Murkowski quoted Joanne Kaiser-Smith, DO:
"Patients are caught between the high cost of prescription drugs and the use of step therapy protocols by insurance companies. The Safe Step Act creates clear exceptions to step therapy protocols to ensure that medical decisions made by physicians in consultation with their patients are respected, and the health and safety of patients are a priority. ACOI is pleased to offer its strong endorsement of the legislation and calls for its passage by Congress."

Step Therapy Advocacy

ACOI @acoi_org · May 17
#ACOI President Dr. Joanne Kaiser-Smith explains how the #SafeStepAct would help ensure she can prescribe what is best for her patients in the latest @PatientsRiseNow Healthcare Policy Pop.
Listen and share: ow.ly/PkCp50OpLKZ
#internalmedicine



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PBMs Insulin

Senate HELP Addresses PBMs

May 16, 2023

Erin Callahan, Chief Operating Officer for the Diabetes Patient Advocacy Coalition and the Diabetes Leadership Council, recaps what she noticed from the Senate HELP Committee Hearing on PBMs and Insulin; the Senate HELP Comm...

@ Guests: Joanne Kaiser-Smith, DO, FACOI, Erin Callahan



Healthcare Policy Pop

FOLLOW SHARE

Senate HELP Addresses PBMs

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Efforts Continue to Increase DO IM Visability

ACOI @acoi_org · May 12
Thank you @lisamurkowski @SenatorHassan @RogerMarshallMD #SenateHELP for consideration and passage of the #SafeStepAct. Patients deserve the bill's common-sense exceptions to harmful #FailFirstprotocols.



ACOI @acoi_org · Apr 6
ACOI calls on #Congress to provide physicians with fiscal stability by supporting an inflation-based payment update based on the full #MEI beginning in 2024. Pass #HR2474. 🌞 @RepRaulRuizMD, @RepLarryBucshon, @RepBera, @RepMMM



ACOI @acoi_org · Feb 10
Medicare Advantage (MA) plans must not impede enrollees' access to entitled basic benefits. ACOI has commented in support of #CMS proposals for better prior authorization guardrails. #FixPriorAuth for MA Plans and all health insurance markets. acoi.org/blog/acois-com...



Get Involved, Stay Involved!

- ACOI Action Center
 - Medicare Fee Cut
 - [Action Center \(votervoices.net\)](http://votervoices.net)
- AOA Osteopathic Advocacy Network
 - Reauthorize the Teaching Health Center Graduate Medical Education (THCGME)
 - Medicare Physician Payments
 - Student Loan Relief
 - [The Osteopathic Advocacy Center | OAN \(quorum.us\)](http://quorum.us)
- Oklahoma Osteopathic Association Legislative Action Center
 - PA Independent Practice – HB 3965
 - [OOA Legislative Action Center \(okosteo.org\)](http://okosteo.org)



Osteopathic Advocacy Network




Join Today!



DO Day on Capitol Hill



DO Day 

Distinctive in Healthcare
Advocacy and Leadership

Virtual Conference

April 13-14, 2024

In-person Congressional Meetings

April 17-18, 2024



Where Does this Leave Us?



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