

HALL RENDER'S THIS WEEK IN WASHINGTON - APRIL 27, 2018

CMS RELEASES PROPOSED INPATIENT PROSPECTIVE PAYMENT RULE

On April 24, CMS issued its [annual hospital inpatient prospective payment system proposed rule](#) for fiscal year 2019. Under the proposed rule, hospitals would get a \$4 billion increase for inpatient services next year, which includes a \$1.5 billion hike in uncompensated care payments. Acute care hospitals will receive a 1.75 percent operating payment increase under this rule. With the changes incorporated in this rule and updates to uncompensated care, capital and low-volume hospital payments, the total hospital inpatient prospective payment system increase is 3.4 percent.

Price Transparency

In an effort to improve health price transparency, the agency wants hospitals to post their standard charges online. HHS Secretary Alex Azar said, "This payment proposal takes important steps toward a Medicare system that puts patients in charge of their care and allows them to receive the quality and price information needed to drive competition and increase value."

CMS also put out a request for information seeking feedback on price information and how price transparency can be improved. As an example, the rule cites concerns with out-of-network billing, like with radiologists and anesthesiologists and facility fees or physician fees that come after emergency room visits. Stakeholders are asked for comments on how to define "standard charges," what types of pricing information would be most useful to patients, whether hospitals should be required to inform patients on what Medicare pays for each service and how they should enforce price transparency requirements.

Meaningful Measures

The proposed rule gets rid of measures deemed duplicative, excessively burdensome or "topped out," which means providers consistently perform well in a measure. The rule proposes to eliminate certain quality measures from the Hospital Inpatient Quality Reporting Program while retaining the same measures in one of the value-based purchasing programs (Hospital Value-Based Purchasing, Hospital Readmissions Reduction and Hospital Acquired-Condition Reduction programs). Thus, the rule eliminates 19 measures and "de-duplicates" an additional 21 measures. One measure would be added under the cancer hospital quality reporting program for claims-based 30-day unplanned readmission.

The rule aims to ease documentation requirements and claims to give hospitals back an estimated 2 million hours previously spent filling out paperwork. One of the proposed changes would reduce claim denials by eliminating the requirement that providers record a written inpatient admission order in the medical record to receive a Part A payment.

Meaningful Use, Now "Promoting Interoperability," Changes

CMS said it intends to overhaul the Medicare and Medicaid Meaningful Use programs with a new focus on interoperability and flexibility. The name of the EHR incentive program is changed to "Promoting Interoperability" along with an update to scoring methodology and measures, including one to address e-prescribing of opioids. The new scoring mechanism would allow hospitals to receive points under four objectives: e-prescribing; health information exchange; provider to patient exchange; and public health and clinical data exchange. The goal is to introduce a more flexible, performance-based approach to determining whether a hospital has met the requirements to avoid a payment penalty under Medicare. Additionally, CMS proposes changing the existing number of electronic clinical quality measures and altering the reporting period for eligible hospitals and critical access hospitals. There is a request for information from industry stakeholders on how to improve the sharing of electronic health data.

The proposed rule will be published in the *Federal Register* on May 7, 2018 and is open for comment until June 25, 2018.

BOTH SENATE AND HOUSE LAWMAKERS ADVANCE PACKAGE OF OPIOID BILLS

After a nine-hour markup hearing, the Energy and Commerce Health Subcommittee advanced 56 opioid-related bills. The measures mostly focus on expanding access to substance abuse treatment (both through telehealth and inpatient services), building up the provider

workforce and encouraging the use of non-opioid pain treatments. The bills were advanced to the full committee for a markup that Subcommittee Chairman Michael Burgess (R-TX) said is likely to happen in "several weeks." Energy and Commerce Chairman Greg Walden (R-OR) is on track with his plans to have an opioid legislation package to the House floor by Memorial Day.

The House action also came one day after the Senate Health, Education, Labor, and Pensions Committee approved its own sweeping bipartisan package aimed at addressing the opioid crisis. The Opioid Crisis Response Act of 2018, [S.2680](#), includes dozens of measures aimed to expand access to recovery services and medication-assisted treatment. Chairman Lamar Alexander (R-TN) said that he hopes the Senate can move the opioid legislation this summer. He noted that several committees will want to contribute to the opioid legislation package, such as Finance, Homeland Security and Judiciary committees.

CMMI SEEKING FEEDBACK ON DIRECT PROVIDER CONTRACTING

The CMS Innovation Center released a new [request for information](#) soliciting feedback on creating a program allowing providers to contract directly with patients for care while bypassing insurers and the Medicare program. CMS claims, "A direct provider contract model would allow providers to take further accountability for the cost and quality of a designated population in order to drive better beneficiary outcomes. Such a model would have the potential to enhance the doctor-patient relationship by eliminating administrative burden for clinicians and providing increased flexibility to provide the high-quality care that is most appropriate for their patients, thus improving quality while reducing expenditures."

The effort would apply to fee-for-service Medicare, Medicare Advantage, Medicaid and the Children's Health Insurance Program. Submissions to the request for information are due May 25, 2018.

HEALTH-RELATED BILLS INTRODUCED THIS WEEK

On April 26, House Energy and Commerce members Markwayne Mullin (R-OK) and Kurt Schrader (D-OR) introduced the State Offices of Rural Health Reauthorization Act of 2018, [H.R. 5641](#). The bill is the companion bill to [S. 2278](#), which was passed in March by the Senate Health Education Labor and Pensions Committee. The bill seeks to reauthorize the State Office of Rural Health grant program for the first time since the early 1990s and would increase funding for the program. The Senate bill, which was introduced by Sens. Roberts (R-KS) and Heitkamp (D-ND), has been cleared for full Senate passage. The next step for the House measure will be a markup before the Energy and Commerce Committee.

Additionally, many bills related to the opioid package were introduced. A list of the opioid-related legislation passed by Energy and Commerce can be found [here](#).

NEXT WEEK IN WASHINGTON

Next week, lawmakers return to their districts for a district work week. This Week in Washington will return when lawmakers resume their work but will publish should new health care developments occur.

THIS WEEK IN WASHINGTON IN HISTORY

1984, 34 years ago today, President Ronald Reagan arrives in China for a diplomatic meeting with Chinese President Li Xiannian. The trip marked the second time a U.S. president had traveled to China since President Richard Nixon's historic trip in 1972.

1800, 218 years ago today, President John Adams approves legislation to establish the Library of Congress. The first books, ordered from London, arrived in 1801 and were stored in the U.S. Capitol, the library's first home. Twelve years later, the British army invaded the city of Washington and burned the Capitol, including the then 3,000-volume Library of Congress. Former president Thomas Jefferson, who advocated the expansion of the library during his two terms in office, responded to the loss by selling his personal library, the largest and finest in the country, to Congress to "recommence" the library.

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