This Week in Health Policy, Congressional Lookback, Regulatory Lookback, Comment & Application Deadlines

Wynne Health Group Weekly



FRAMING THE WEEK

Today, the House will vote on the <u>rules package</u>, a set of guidelines that will determine how the Republican-controlled House will operate. In order to secure the Speakership, House Speaker Kevin McCarthy (R-CA) made a number of concessions to conservatives. The deal included a provision to freeze spending at FY 2022 levels.

The House will also vote on <u>slate of messaging bills</u>. It includes two bills that would limit access to abortion: (1) A measure to codify the Hyde Amendment prohibiting federal funding for abortion; and (2) the Born-Alive Abortion Survivors Protection Act, which is framed as a measure to require a fetus that survives an abortion to receive emergency medical care. However, such emergency medical care is required by a 2002 law, and the new measure would "add criminal penalties against doctors and clinicians as a scare tactic to discourage women from seeking safe, legal abortion," explains the Guttmacher Institute.

The Centers for Medicare and Medicaid Services (CMS) has started the new year with a flurry of policy updates (and more on the way, per the updated <u>unified agenda</u>). Below, we recap recent guidance on Medicaid coverage and mental health. Additionally, we highlight the agenda for Medicare Payment Advisory Commission's (MedPAC) meeting later this week.

Medicaid

Last week, the Center for Medicaid and CHIP Services (CMCS) released an Information Bulletin with guidance on implementation of the new transition period for the unwinding of Medicaid continuous coverage requirements. The FY 2023 Omnibus decoupled the Medicaid unwinding from the COVID-19 Public Health Emergency (scheduled to expire in mid-April) and established a transition period phasing down the 6.2 percentage point FMAP increase, beginning April 1, 2023. States may begin to initiate renewals that may result in disenrollment as early as February 1, 2023. CMCS plans to meet individually with State Medicaid Directors and provide additional guidance.

In addition, CMS released <u>guidance</u> on options for states to address health-related social needs (HRSN) through the use of "in lieu of services and settings" (ILOS) policies in Medicaid managed care (<u>WHG summary</u>). ILOSs are alternative benefit designs in managed care programs that are established through Section 1115 waivers. States using clearly documented ILOSs in an approved managed care plan contract as of the publication of this guidance have until the contract rating period beginning on or after January 1, 2024 to confirm with this guidance for existing ILOSs. Any new ILOSs must conform to this guidance.

Mental Health

Last week, CMS issued <u>guidance</u> clarifying Medicaid coverage and payment for interprofessional consultations, which has significant implications for mental health care. "Interprofessional consultation" is defined as a situation in which the patient's treating physician or other health care practitioner requests the opinion and/or treatment advice of another physician or provider with specific specialty expertise without patient face-to-face contact with the consulting provider. The guidance notably supersedes CMS's previous

policy that prohibited coverage and payment of interprofessional consultation as a distinct service without the presence of the patient. As a result, this new policy establishes payment for interprofessional consultation when the patient is not present so long as the consultation is for the direct benefit of the beneficiary.

CMS explains that such changes should help to improve access to mental health services, especially for beneficiaries with limited access to such care due to geographic distance and the overall scarcity of mental health providers. Enhanced coverage of interprofessional consultation should improve mental health integration by better facilitating collaborative care approaches. The agency notes that interprofessional consultations will be especially important for improving access to providers who specialize in child and adolescent behavioral health.

This policy change comes just days after the Substance Abuse and Mental Health Services Administration (SAMHSA) released its annual report on the state of mental health and substance use disorder (SUD), which quantifies the extent to which U.S. residents experienced mental health conditions and SUD in 2021 (WHG summary). While nearly a fifth of adults experienced any mental illness in 2021, only 47.2 percent received treatment. And of the 20.1 percent of adolescents who experienced a major depressive episode, less than half access treatment for depression.

These recent developments play into a much larger conversation on the state of mental health care in the U.S. and the changes policymakers are considering to improve access to care and mental health outcomes. Notably, the year-end spending package for the fiscal year 2023 omnibus included several mental health-focused provisions, mostly focusing on federal program reauthorizations (WHG summary). Additional provisions — such as allowing high-deductible health plans to providing pre-deductible coverage of telehealth services and allowing Medicare to cover services provided by Licensed Marriage and Family Therapists — will also support improved access to mental health services. However, the federal conversation around mental health reform is likely to continue and may feature much of the bipartisan work the Senate Finance Committee pushed forward in 2022. The Biden-Harris Administration will also continue advancing its strategy to improve behavioral health integration, which it detailed towards the end of last year (WHG summary).

MedPAC

Later this week, MedPAC will <u>convene</u> to vote on draft payment update recommendations for Medicare's fee-for-service payment policies. They will be published in the March 2023 report to Congress, along with status reports on Medicare Advantage and Medicare Part D that will be discussed at the meeting. MedPAC will also review congressionally mandated reports on (1) the utilization and availability of behavioral health services for Medicare beneficiaries and (2) the utilization of telehealth services during the COVID-19 public health emergency and the impact of expanded telehealth coverage on access to care and quality. Lastly, commissioners will review and discuss three policy approaches to address high prices of Part B drugs.

THIS WEEK IN HEALTH POLICY

Thurs. (1/12)

• **Meeting: MedPAC** – The Medicare Payment Advisory Commission (MedPAC) meets to discuss Medicare issues and policy questions. <u>Details</u>.

Fri. (1/13)

• **Meeting: MedPAC** – The Medicare Payment Advisory Commission (MedPAC) meets to discuss Medicare issues and policy questions. Details.

FEATURED WHG ANALYSIS

- WHG Roundup of Surprise Bilking and Transparency Updates

 In the Policy Hub Insight
 Bank here.
- WHG Maternal Health Policy Update: November December 2022 In the Policy Hub Insight Bank here.
- Blog on Which Issues Warrant Consideration in a Year-End Spending Package On Commonwealth Fund's To the Point here.
- Blog on What Recent State Elections Mean for Health Care On Health Affairs Forefront here.

CONGRESSIONAL LOOKBACK

Fri. (1/6)

• On December 29, 2022, President Biden <u>signed</u> into law the \$1.7 trillion fiscal year Consolidated Appropriations Act 2023, also known as the Omnibus. <u>Details</u>.

REGULATORY LOOKBACK

Thus (1/5)

CMS <u>released</u> guidance on options for states to address health-related social needs through the
use of "in lieu of services and settings" policies in Medicaid managed care. <u>Details</u>.

Weds. (1/4)

- MACPAC <u>released</u> an issue brief comparing Medicaid nursing facility payments to costs. <u>Details</u>.
- The USPSTF <u>issued</u> a request for nominations to serve as members of the Task Force. Nominations are due March 15. Details.

Tues. (1/3)

- HHS OIG <u>released</u> two reports on average sales price (ASP) calculations for Medicare Part B drugs. <u>Details</u>.
- **HRSA** <u>released</u> an RFI seeking perspectives regarding the design, implementation, and evaluation of the Healthy Start Program. Comments are due February 3. Details.

COMMENT & APPLICATION DEADLINES

- **January 9:** AHRQ announced a challenge competition to explore the resources and infrastructure needed to integrate real-world data from healthcare systems into systematic review findings. Details.
- **January 11:** The AHRQ EPC Program requests information on strategies to address racial/ethnic and related disparities in health and healthcare at the (1) <u>healthcare system level</u> and (2) <u>patient and provider level.</u> <u>Details.</u>
- **January 24:** HHS <u>issued</u> an NRPM to revise the current 340B administrative dispute resolution final rule. Details.
- **January 30:** CMS <u>issued</u> an RFI seeking feedback on issues related to the Essential Health Benefits. <u>Details</u>.
- February 3: HRSA released an RFI seeking perspectives regarding the design, implementation, and evaluation of the Healthy Start Program. Details.
- February 4: CMS <u>released</u> the 2024 HHS Notice of Benefit Payment Parameters proposed rule.
 Details
- **February 9:** The CDC <u>released</u> a grant opportunity for research programs to assess the effectiveness of programs, policies, or practices that affect SDOH. <u>Details</u>.
- **February 12:** CMS <u>issued</u> a request for nominations to fill vacancies on the Advisory Panel on Hospital Outpatient Payment. <u>Details</u>.
- February 13: CMS <u>released</u> the CY 2024 policy and technical changes to the MA and Part D programs. <u>Details</u>.

- **February 13:** HHS <u>issued</u> a request for public comment on new indicator targets for the National Action Plan to Prevent Health Care-Associated Infections. Details. <u>Details</u>.
- March 6: FNS <u>announced</u> \$60.58 million in funding for round two Reach and Resiliency grants in The Emergency Food Assistance Program (TEFAP). <u>Details</u>.
- March 9: The FDA <u>issued</u> a proposed rule to establish a new annual reporting requirement for investigational new drug applications. <u>Details</u>.
- **March 9:** The FDA <u>issued</u> draft guidance on content of human factors information in medical device marketing submissions. Details.
- March 13: CMS <u>released</u> a proposed rule to improve the electronic exchange of health care data and streamline prior authorization. Details.
- March 15: The USPSTF <u>issued</u> a request for nominations to serve as members of the Task Force. Details.

WHG Contacts for Inquiries

Alyssa Llamas: alyssa@wynnehealth.com; (562) 207-8807 Josh LaRosa: josh@wynnehealth.com; (703) 309-4248 Erin Slifer: erin@wynnehealth.com; (410) 984-4552 Billy Wynne: billy@wynnehealth.com; (202) 309-0796

