Highmark's Weekly Capitol Hill Report

Issues for the week ending April 22, 2022

Federal Issues

Regulatory

Health Equity: CMS Announces Cross-Cutting Initiatives & Strategy Around Promoting Equity, Coverage and Outcomes

The Centers for Medicare & Medicaid Services (CMS) announced a series of Cross-Cutting Initiatives (CCIs) that will support CMS' strategic vision to advance health equity, expand coverage, and improve health outcomes. Additionally, the CCIs are aimed at improving behavioral and maternal health coverage, drug price affordability, and rural health care delivery, along with strengthening quality improvement strategies and ensuring coverage for eligible individuals post-pandemic. Along with the announcement of the CCIs, CMS released fact sheets on their national behavioral health and quality strategies.

The strategic plan includes health equity goals that promote culturally and linguistically appropriate services, strengthen outreach efforts to enroll eligible Americans, expand and standardize date collection and use, evaluate CMS policies to support safety net providers, and incorporate screening for and promote broader access to health-related social needs. Work across the agency will include sharing best practices across states, health care facilities, providers,

In this Issue:

insurance companies, pharmaceutical companies, people with lived experience, researchers, and other stakeholders to drive commitments to advance health equity. CMS will host forums with stakeholders starting this summer.

The Centers for Medicare and Medicaid Services (CMS) also outlined a new action plan that highlights the central role that health equity will play in its strategic vision. Key actions include:

- Closing gaps in health care access, quality, and outcomes for underserved populations;
- Promoting culturally and linguistically appropriate services;
- Building on outreach efforts to enroll eligible people across Medicare, Medicaid/CHIP and the Marketplace;
- Expanding and standardizing the collection and use of data, including on race, ethnicity, preferred language, sexual orientation, gender identity, disability, income, geography, and other factors across CMS programs;
- Evaluating policies to determine how CMS can support safety net providers;
- Ensuring engagement with and accountability to the communities served by CMS in policy development and the implementation of CMS programs;
- Incorporating screening for and promote broader access to health-related social needs, including greater adoption of related quality measures, coordination with community-based organizations, and collection of social needs data in standardized formats across CMS programs and activities;
- Ensuring CMS programs serve as a model and catalyst to advance health equity; and,

- Promoting the highest quality outcomes and safest care for all people through use of the framework under the CMS National Quality Strategy.

CMS will also host a Health Equity Symposium on April 28 at 1 pm ET to discuss how CMS is operationalizing health equity across all programs and its equity plan initiatives.

White House Releases National Drug Control Strategy

The White House Office of National Drug Control Policy (ONDCP) released its inaugural *2022 National Drug Control Strategy* and fact sheet. Given the complex interplay of factors related to overdose in the U.S., the strategy seeks to build a strong substance use disorder (SUD) treatment infrastructure and reduce the supply of illicit substances through targeted law enforcement actions and commercially disrupting criminal organizations by undermining their finance networks.

The strategy includes seven goals to be achieved by 2025 with all goals measured against a 2020 baseline. The strategy calls to expand access to evidence-based treatments such as naloxone, emphasizes the need to develop stronger data collection (particularly on non-fatal overdoses) and analysis systems to better identify who needs treatment and deploy public health interventions. The strategy prioritizes a targeted response to drug traffickers and transnational criminal organizations (TCOs) by obstructing and disrupting illicit finance networks. Finally, the strategy also highlights efforts to prevent substance use among school-aged children and young adults, expand the scientific understanding of the recovery process and improve access to medication for opioid use disorder (MOUD) programs for jails and prisons.

Additional top priorities include: expanding evidence-based harm reduction strategies to meet people where they are, preventing drug use from the beginning, building a recovery-ready nation, addressing drug policy challenges in criminal justice, and improving data systems and research that guide drug policy development. There is also an overarching emphasis on equity and addressing the social determinants of health, which impact all levels of the overdose epidemic.

ONDCP indicates payment reform for SUD treatment is essential, as insufficient insurance coverage, low reimbursement rates, and non-compliance with federal parity laws all may impact access to treatment as well as whether people can succeed in treatment. Insurance plans are encouraged to take a more active role in treatment access navigation, and insurance providers are encouraged to include peer recovery support services and harm reduction services in benefits packages.

Tri-Agency FAQs on Machine-Readable Files

On April 19, the Tri-Agencies released FAQs on the Transparency in Coverage Final Rule requirement for health plans and issuers to disclose, on a public website, information regarding in-network rates for covered items and services, out-of-network allowed amounts and billed charges for covered items and services, and negotiated rates and historical net prices for covered prescription drugs in three separate machine-readable files. The two FAQs issued address how plans and issuers can report applicable in-network rates for specific items or services provided under the following arrangements:

1) "Percentage-of-billed-charges" contracts if an exact dollar amount cannot be determined for those items or services prospectively

2) Alternative reimbursement arrangements that are not supported by the schema or require additional context to be understood.

This FAQ reiterates the guidance CMS has provided via GitHub to date.

Biden Administration Announces New Actions to Lessen Burden of Medical Debt and Increase Consumer Protections

The Biden Administration released an announcement on new actions to protect consumers and lessen the burden of medical debt on all Americans. The four actions outlined include holding medical providers and debt collectors accountable for harmful practices, reducing the role medical debt plays in accessing credit, helping over half a million low-income American veterans get their medical debt forgiven, and informing consumers of their rights.

To hold providers and debt collectors accountable, the Department of Health and Human Services (HHS) has been directed to evaluate how providers' billing practices impact access and affordability of care and the accrual of medical debt. Additionally, the Consumer Financial Protection Bureau will investigate credit reporting companies and debt collectors for unlawful medical debt collection and reporting and expand its consumer education tools to help Americans navigate the complex medical billing landscape.

Lastly, the Administration will provide guidance to all agencies to eliminate medical debt as a factor for underwriting in credit programs. For further information on this announcement, please visit this link.

Industry Trends

Policy / Market Trends

Medicare: New Study Finds One-Third of Seniors Do Not Fill Prescriptions for High-Price Drugs

The Campaign for Sustainable Rx Pricing (CSRxP) highlighted a new study published in Health Affairs which found seniors enrolled in Medicare with low-income subsidies were twice as likely as seniors without the subsidy to pick up their prescription drugs. When analyzing drugs for specific conditions, those without subsidies did not fill 30% of high-cost cancer-fighting drugs, 22% of hepatitis C treatments, and more than 50% of disease-modifying therapies for immune system disorders or hypercholesterolemia.

Medicare: Research Shows MA Plans Meeting Social Needs

A new Avalere study found enrollment in Medicare Advantage (MA) Plans with Special Supplemental Benefits for the Chronically Ill (SSBCI) has nearly quadrupled since 2020 when these benefits were first introduced. Nearly 4.5 million beneficiaries are enrolled in MA plans offering SSBCI in 2022, encompassing about 19% of all MA enrollees. The most common benefits offered include food and produce, meals, and transportation for non-medical needs. Some plans are offering new benefits like complementary therapy, housekeeping, and identity theft insurance amid growing interest among MA plans to provide a broader set of non-medical services and products.

Why this matters: This study builds on a recent suite of resources that provide data and insights on the types and range of supplemental benefit offerings in MA. In one report, they note a 240% increase in the number of plans offering SSBCI from 2020 to 2021 and a 111% increase in the number of plans offering Expanded Primarily Health-Related Benefits (EPHRB) from 2020 to 2022. They emphasize continued improvements can be made in raising awareness and use of benefits, and in assessing the impact of benefits offered. As SSBCI becomes more widespread, MA plans may consider additional mechanisms for collecting data on supplemental benefits and how utilization of benefits affects plan costs.

CMS Holds Annual Quality Conference

On April 12 and 13, CMS hosted its annual quality conference. The theme of the conference was "New Hope, New Health: Charting a Path Forward," and highlighted the agency's ongoing commitment to promoting health equity. The conference emphasized the interrelationship of healthcare quality and health equity, emphasizing the agency's view that true quality cannot exist without equity. Speakers noted the importance of increasing access to care, improving the availability of data to identify social risk and support stratification of performance measures, and engaging patients to re-build trust in the healthcare system.

CMS used the conference to release its new National Quality Strategy that aims to promote high quality and safe care, focuses on a person-centered approach, and create a more equitable healthcare system. As part of this Strategy, CMS outlined eight goals:

- Embed Quality into the Care Journey
- Advance Health Equity
- Promote Safety to Achieve Zero Preventable Harm
- Foster Engagement to Improve Quality and Build Trust
- Strengthen Resiliency in the Health Care System
- Embrace the Digital Age
- Incentivize Innovation and Technology Adoption to Drive Care Improvements
- Increase Quality Measurement Alignment to Promote Seamless and Coordinated Care

CMS also highlighted the need to address quality challenges exacerbated by the COVID-19 pandemic such as declines in patient safety and increases in substance use disorder and behavioral health concerns. Sessions also noted the need to address healthcare worker burnout to ensure access, safety, and quality. Recordings of conference sessions will be available in the coming weeks.

Pharmacy: New JAMA Study Shows Hospitals Charge At Least Twice as Much for Cancer Drugs

Drug prices are out of control – and making the problem worse is the exorbitant markups hospitals charge for the drugs they administer. Shining a spotlight on the problem, a recent analysis from *JAMA Internal Medicine* finds hospitals are charging cancer patients who have health insurance coverage anywhere from 118.4% to 633.6% more than it cost the hospital to acquire the drug. More than 60 hospitals were examined, and prices were analyzed from April 1 – October 15, 2021 – during the COVID-19 pandemic.

Why this matters: The findings of the JAMA study reaffirm the results of an AHIP analysis from February that found hospital price hikes cost patients thousands of dollars on drugs.

Mercer Report: The CFO Perspective on Health

More than half of CFOs in a recent Mercer survey ranked health care costs as among their top five concerns, and nearly two-thirds said costs need to be at or below the Consumer Price Index to be sustainable for their organization. When asked which cost management strategies should be emphasized, most CFOs were less supportive of strategies that shift costs to employees, given the tight labor market. Instead, CFOs favored clinical management programs (which provide greater monitoring and oversight of care, typically for higher-cost claims) and network strategies that steer employees to smaller, high-performing networks. In addition, more than six in ten respondents said they are not confident that long-term cost management strategies that require investment (e.g., well-being initiatives) are actually saving money.

DOJ Takes Action to Combat COVID-19 Health Care Fraud

On Wednesday, the Department of Justice (DOJ) announced criminal charges against 21 defendants for their alleged participation in various COVID-19 health care-related fraud schemes. These cases allegedly resulted in over $149 million in COVID-19-related false billings to federal programs and theft from federally funded pandemic assistance programs. In the announcement, some of the schemes uncovered included:

- Exploiting CMS waivers and flexibilities put in place to enable increased access to care during the pandemic
- Using patient information and a saliva or blood sample from COVID-19 testing to submit false and fraudulent claims to Medicare for unrelated, medically unnecessary, and far more expensive tests or services
- Schemes targeting the Provider Relief Fund

- Manufacturing and distributing fake COVID-19 vaccination record cards

Additionally, the Center for Program Integrity, and Centers for Medicare & Medicaid Services (CPI/CMS) separately announced that the office has taken an additional 28 administrative actions against providers for their alleged involvement in fraud, waste, and abuse schemes related to COVID-19.

Interested in reviewing a copy of a bill(s)? Access the following web sites:

Delaware State Legislation: **http://legis.delaware.gov/.**
New York Legislation: **https://nyassembly.gov/leg/**
Pennsylvania Legislation: **www.legis.state.pa.us.**
West Virginia Legislation: **http://www.legis.state.wv.us/**
For copies of congressional bills, access the Thomas website – **http://thomas.loc.gov/.**