

## Health Policy Update – April 26, 2018

### The US Oncology Network Attends 2018 Community Oncology Alliance Annual Conference

On April 12-13, The US Oncology Network joined community oncology providers from across the U.S. for the 2018 Community Oncology Alliance (COA) Annual Community Oncology Conference.

This year's theme, "Keeping Patients at the Center," was reflected in the keynote addresses from Scott Gottlieb, Commissioner of Food & Drugs, U.S. Food Administration and Mark Herzlich, New York Giants Linebacker, Super Bowl Champion & Cancer Survivor. Several Network physicians presented at the conference:

- Dr. Houston Holmes on the use of CAR-T in community practices;
- Dr. Joyce O'Shaughnessy on protein coding in breast cancer;
- Dr. Debra Patt on issues impacting cancer patients and community practices; and
- Dr. Robert Rifkin on clinical use and reimbursement of biosimilars.

In addition, Rep. Buddy Carter (R-GA) spoke as a special guest during a reception hosted by McKesson Specialty Health and The Network, where he discussed issues impacting community-based care.

### CSRO Developing an APM to Cut PBMs Out of the Drug Channel

The Coalition of State Rheumatology Organizations (CSRO) is experimenting with the idea of creating an alternative payment model that would reduce, or potentially eliminate, the need for pharmacy benefit managers (PBMs). On April 11, Madelaine Feldman, Vice President of CSRO, told attendees of the National Community Pharmacists Association Conference that while the idea is still a "thought experiment" at this point, the group hopes to remove the incentive for PBMs to retain rebates in order to expand access to medications (mostly specialty drugs) and lower drug costs for patients with rheumatoid arthritis.

There are two main approaches under consideration. The first approach would cut out the need for a PBM altogether by making pharmaceutical companies set drug prices below a certain threshold in order to get on a formulary. This approach would not have different tiers, allowing physicians to prescribe drugs as they see fit. The second approach would borrow from a model created by Caterpillar over a decade ago. Under this plan, the CSRO would negotiate directly with drug companies and create its own formulary but would still retain a PBM to process claims.

### Key Committees Continue Work to Address Opioid Epidemic

On April 24, the Senate Health, Education, Labor, and Pensions (HELP) Committee advanced a bipartisan bill to expand access to opioid treatment services to the full chamber. The Opioid Crisis Response Act of 2018 (S. 2680), would:

- Reauthorize federal funding to states under the 21st Century Cures Act and enable states to establish comprehensive opioid recovery centers;

- Direct the National Institutes of Health to perform additional research on non-opioid pain therapies;
- Make it easier for medical schools to train more doctors to administer medication-assisted treatment for opioid use disorder;
- Create a pilot program to incorporate job training into addiction recovery programs; and
- Ask the Trump administration to review how states are enforcing federal mental health parity laws.

The full bill is available [HERE](#).

On April 25, the House Energy and Commerce Health Subcommittee advanced 57 bills to the full Committee. The bills aim to address a number of issues to improve access to care for individuals suffering from substance use disorder, provide the health care system with additional tools and resources to care for patients, and help prevent future misuse of opioids. Chairman Greg Walden (R-OR) has pledged to markup a comprehensive opioid package before Memorial Day.

The background memo is available [HERE](#).

## **CMS Releases FY2019 Inpatient Prospective Payment System Proposed Rule**

On April 24, the Centers for Medicare & Medicaid Services (CMS) released its proposed FY 2019 Hospital Inpatient Prospective Payment System Proposed Rule. The proposed rule increases Medicare payments to acute-care hospitals by 3.4 percent, overhauls the meaningful use program by giving hospitals more flexibility in how they use electronic health records, and requires hospitals to post their standard charges online and in a machine-readable format. CMS also announced a request for information seeking input from stakeholders on how to move forward with sharing electronic health data.

Additionally, CMS announced that it would eliminate some regulations that the agency believes are overly burdensome, such as the requirement that long-term care hospitals admit more than 25 percent of their patients from a single acute-care hospital.

CMS is also seeking input on applications for new technology add-on payments for FY2019 for Chimeric Antigen Receptor (CAR) T cell therapy. Separately, for FY 2019, CMS is proposing to reassign CAR T-cell therapy to a higher-weighted MS-DRG, and is seeking comment on alternative MS-DRG assignment.

To view the proposed rule, [CLICK HERE](#).

To view a fact sheet from CMS about the proposed rule, [CLICK HERE](#).

## **House Ways and Means Committee Holds Hearing on Innovation in Healthcare**

On April 26, the House Ways and Means Health Subcommittee held a hearing on "Identifying Innovative Practices and Technology in Health Care," to learn more about innovative models, practices, and technology that physicians, providers, and organizations are utilizing to reduce costs and improve care quality.

The witnesses provided testimony on what policymakers can do to better modernize Medicare. Witnesses included:

- [Matthew S. Philip, M.D.](#), Physician, Breakthrough Care Center, DuPage Medical Group joined by Paul F. Merrick, M.D., President, DuPage Medical Group
- [Oliver Kharraz, M.D.](#), Chief Executive Officer & Founder, Zocdoc
- [Becki Hafner-Fogarty, M.D.](#), Senior Vice President, Policy and Strategy, Zipnosis, Inc.
- [Dan Paoletti](#), Chief Executive Officer, The Ohio Health Information Partnership
- [Sean Cavanaugh](#), Chief Administrative Officer, Aledade

To view the hearing, [CLICK HERE](#).

## Poll Finds Over Half of Americans Support Single Payer Healthcare

A poll conducted by the Washington Post and the Kaiser Family Foundation found that 51 percent of Americans support a national single-payer health plan, while 43 percent oppose it. Results broke down along party lines, with three-quarters of Democrats supporting the idea of a single-payer plan and four-fifths of Republicans siding against the idea. A majority of independents (54%) would back a government-run health plan. Support amongst Americans who have attended a rally or protest was much higher than non-rallygoers. The poll comes on the heels of Bernie Sanders' Medicare for All plan and similar proposals recently released by Democratic members of Congress.

For a complete breakdown of the poll results, [CLICK HERE](#).