

Health Policy Update – July 14, 2020

The Network, McKesson Participate in Ad Campaign Encouraging Patients to Stop "Medical Distancing"

In an effort to encourage Americans to continue seeking routine medical care, McKesson helped launch a new multifaceted ad campaign along with Humana, Walgreens, LabCorp, and the American Heart Association. The goal of the campaign, which features ads on television, social media and in print, is to allay patient concerns about seeing their doctors and prevent potentially consequential delays in care.

The campaign, which encourages Americans to “Keep Social Distancing” and “Stop Medical Distancing,” is a direct response to a significant decline in patient visits for regular checkups and health screenings, potentially delaying diagnoses and treatment of serious medical conditions, including cancer.

In an interview with *The Wall Street Journal* about the campaign, Dr. Michael Seiden, president of The US Oncology Network, said diagnosis of breast, prostate, skin and other cancers has declined since the start of the COVID-19 public health emergency because patients have delayed medical care. The result, he said, could be lost time in identifying tumors, which could lead to worse health outcomes for patients. Dr. Seiden also shared this important message in an interview with KCBS. To view the “Stop Medical Distancing” campaign website, [CLICK HERE](#).

To read more about the ad campaign and Dr. Seiden’s *Wall Street Journal* interview, [CLICK HERE](#).

To hear Dr. Seiden’s interview with KCBS, [CLICK HERE](#).

The Network’s Dr. Amy McNally Discusses Negative Impacts of Delaying Cancer Care in AJMC Op-ed

On June 30, *The American Journal of Managed Care* (AJMC) published an op-ed by Amy McNally, MD, chair of The US Oncology Network’s Surgery Advisory Council. In the op-ed, titled “Don’t Delay Cancer Care During COVID-19 Crisis,” Dr. McNally argues that cancer patients have been negatively impacted due to the pandemic response because their diagnosis, access to care, and treatment have been significantly disrupted.

Specifically, Dr. McNally highlights how moratoria on elective procedures have not only delayed vital care, but have also caused some non-elective surgeries to be canceled or delayed. As routine screenings and potentially lifesaving surgeries are put off, the risk to public health increases. Tumors will not stop growing just because the United States is in the midst of a pandemic. As a

result, today's disruptions to care will ultimately lead to higher costs and missed opportunities for curative therapy.

Touting The Network's guiding principles, Dr. McNally asserts that a patient's need for surgery should primarily be at the discretion of his or her surgeon because providers are best equipped to make critical decisions about patient care. She argues that moratoria on elective procedures do more harm than good and should be lifted so that more Americans can access uninterrupted cancer care.

To read Dr. McNally's op-ed in AJMC, [CLICK HERE](#).

HHS Will Renew COVID-19 Public Health Emergency

On June 29, Michael Caputo, spokesman for the Department of Health and Human Services announced that the department intends to extend the COVID-19 public health emergency that is currently set to expire July 25. By extending the public health emergency for another 90 days, many temporary payment policies and regulation relaxations, including telehealth flexibilities, would continue to be in force, which is welcome news for healthcare providers. The public health emergency related to COVID-19 was first declared on January 31 and was again extended on April 26.

To read the text of the previous public health emergency extension on April 26, [CLICK HERE](#).

AMA-led Provider Letter Urges CMS to Waive Budget Neutrality Requirements in Physician Fee Schedule Rule to Prevent 2021 Provider Payment Cuts

On July 1, a group of several dozen provider organizations led by the American Medical Association sent a letter to Health and Human Services Secretary Alex Azar urging CMS to waive budget neutrality requirements in the FY 2021 Physician Fee Schedule Rule.

Provider groups and healthcare stakeholders are concerned that Medicare budget neutrality requirements may cause payment reductions that will exacerbate the effects of the COVID-19 pandemic on many practices' operations. The groups argue that the public health emergency declaration gives CMS the authority to waive the budget neutrality requirement, which will prevent payment cuts to many specialty providers planned for 2021.

"We are concerned that the financial instability created by this public health crisis will be exacerbated by budget neutrality adjustments required when CMS implements a widely supported Medicare office visit payment policy finalized for 2021," the groups write. "Therefore, we strongly urge HHS to utilize its authority under the public health emergency declaration to preserve patient access to care and mitigate financial distress due to the pandemic by implementing the office visit increases as planned while waiving budget neutrality requirements for the new Medicare office visit payment policy,"

The letter also calls for additional regulatory and statutory improvements to the Advanced Payment Program including a reduction in interest rates and more favorable loan terms.

To read the letter, [CLICK HERE](#).

Paycheck Protection Program Deadlines Extended as Loan Data is Released

On July 4, the President signed legislation extending the deadline for small and medium sized businesses to apply for the Paycheck Protection Program (PPP) meant to help businesses better manage the effects of the COVID-19 pandemic. Eligible businesses will now have until August 8 to apply for relief through the program which still has \$130 billion left in the fund out of a total of \$660 billion allocated.

Separately, the Small Business Administration, in conjunction with the Treasury Department, released detailed loan-level data from the program showing that, as of last week, a total of \$520 billion has been doled out to almost 5 million businesses across the country.

Healthcare providers, especially physicians' offices who were among the hardest hit by the effects of the pandemic, received a significant share of the relief according to the data. Overall, the healthcare sector received more than 12 percent of total loans with physician offices receiving \$8.4 billion in relief. Other sectors that received substantial relief include skilled nursing (\$3.4 billion), home health providers (\$3 billion), dentists (\$2.2 billion), and small hospitals (\$2 billion).

To view the PPP loan data, [CLICK HERE](#).

To view the SBA's most recent PPP program report, [CLICK HERE](#).

Congress Update: Lawmakers Debate Next Pandemic Relief Package as Grassley Revives Drug Pricing Bill

Both houses of Congress are set to return to Washington next week where the top item of discussion will be the next round of economic relief for those affected by the COVID-19 pandemic. The House passed a \$3 trillion package in May — known as the Health and Economic Recovery Omnibus Emergency Solutions (HEROS) Act — that included aid to state and local governments, billions in additional relief for small businesses and healthcare providers, more funding for public health programs along with COBRA premium insurance subsidies and direct payments to individuals and families.

However, the White House recently announced that it would not support any spending over \$1 trillion, a figure that House Speaker Nancy Pelosi (D-CA) said was too low. The Senate has taken no action on the House bill, but Senate Majority Leader Mitch McConnell (R-KY) has expressed support for issuing another round of direct payments to individuals earning less than \$40,000 per year. Leaders in both parties say that their deadline for a relief package will be the end of July

before Congress adjourns for its August district work period.

Separately, Senate Finance Committee Chair Chuck Grassley (R-IA) introduced an updated version of drug pricing legislation that passed the Committee with bipartisan support last year. This time, however, the bill only attracted cosponsor support from nine Republican senators and no Democrats. In remarks following the bill's introduction, Senator Grassley speculated that the Democrats had dropped their support for the bill in favor of more ambitious legislation that would authorize Medicare to negotiate drug prices — similar to what was included in a bill that passed the House on June 30 that would have also enhanced several parts of the Affordable Care Act.

To view a section-by-section summary of the House-passed HEROES Act, [CLICK HERE](#).

To view the updated text of the Prescription Drug Pricing Reduction Act, [CLICK HERE](#).

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Providers, Lawmakers, HHS Support Making Telehealth Changes Permanent

A group of more than 300 healthcare providers sent a letter to Congressional leadership urging lawmakers to make permanent many of the temporary changes to Medicare's telehealth policies Congress enacted as a part of the CARES Act. The groups note that CMS does not have enough flexibility to make all of these telehealth changes permanent on its own and therefore requires further Congressional action. Specifically, providers are asking Congress to codify changes in the following areas:

- Remove site-of-service restrictions to allow beneficiaries to receive virtual care in their homes, or location of their choosing.
- Give HHS the flexibility to expand the list of eligible practitioners who can provide telehealth services and create a regulatory process by which HHS and CMS can add or remove services eligible for telehealth.
- Ensure Federally Qualified Health Centers and rural health clinics can furnish telehealth services after the public health emergency ends.
- Give HHS permanent authority to implement Section 1135 waivers so the agency can act quickly during future pandemics and natural disasters.

Meanwhile, a bipartisan group of 35 Senators asked HHS and CMS for assistance in codifying some of these telehealth changes into federal law. In a letter, which was led by Senators Bill Cassidy (R-LA) and Tina Smith (D-MN), the senators asked the agency to provide a written plan and timeline for making these changes permanent as well as develop a list of changes that can be made on the agency's own authority as well as those that need Congressional action.

HHS Secretary Alex Azar is the latest member of the Trump Administration to signal support for telehealth policy permanence. On July 9, the Secretary said, "I've been traveling all over the country and I visit with doctors and hospitals and nursing homes. I think we'd have a revolution if anyone tried to go backwards on this. This is now I think an embedded part of our health care system."

To view the provider telehealth letter, [CLICK HERE](#).

To view the senators' telehealth letter, [CLICK HERE](#).

The Network Submits Comments to IPPS Proposed Rule

In comments submitted to the Centers for Medicare & Medicaid Services' proposed Inpatient Prospective Payment System (IPPS) rule, The Network expressed support for the agency's proposal to establish a separate MS-DRG for the administration of CAR-T therapy in the inpatient setting, arguing that it would encourage payment stability and coverage predictability especially as new technologies continue to emerge.

CMS proposes a differential reimbursement under the proposed MS-DRG 018, with clinical trial cases being excluded from the relative weight calculation since these cases do not incur drug costs. The unadjusted base rate for non-clinical trial cases under the proposal is \$239,490.17.

The Network's comments also highlighted support for the agency's August 2019 National Coverage Determination (NCD) to cover CAR-T and encourages CMS to consider the delivery, coverage, and reimbursement of CAR-T across care settings to ensure access to these breakthrough therapies.

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

To read CMS' 2021 IPPS proposed rule, [CLICK HERE](#).