



July 12, 2024: Medicare Payment Reform Advocacy Update



Registration open: Live July 17 webinar with CMS staff on new ACO PC Flex Model

On July 17, the American Academy of Family Physicians, the American College of Physicians and the AMA will host a live webinar with Centers for Medicare & Medicaid Services (CMS) Innovation Center staff for primary care physicians interested in participating in the new Accountable Care Organization Primary Care Flex Model (“ACO PC Flex”).

ACO PC Flex is a voluntary five-year model that will provide more predictable payments by testing primary care capitation within the Medicare Shared Savings Program (MSSP). ACOs that applied to the Shared Savings Program as either new or renewing ACOs must submit a supplemental ACO PC Flex application questionnaire by Aug. 1, 2024. All participating primary care practice TINs with an ACO must participate.

During the webinar, ACO PC Flex Model leadership will review key elements of the model and request for applications, address frequently asked questions on common themes and participate in a live Q&A. The webinar will take place on July 17 from 7-8 p.m. Eastern time. Register now.

For more information on the model, visit the request for applications (PDF) or the CMS ACO PC FLEX Model webpage.

August 1 webinar: Fix Medicare Now August recess campaign

The AMA’s top federal priority remains reforming Medicare’s broken physician payment system. Congress will soon be entering their August recess period, a time that provides physician advocates with opportunities to connect with their federal lawmakers back home. Join the AMA for an informative webinar reviewing the current state of federal legislation and ways in which physician advocates can engage Congress during August and beyond.

Register for this webinar on August 1 at 8:00 p.m. Eastern time.



During this webinar, Jason Marino, AMA director of congressional affairs, will provide an update on the current state of Medicare legislation and what lies ahead for the remainder of the 118th Congress. Advocacy expert David Lusk of Key Advocacy will discuss August recess advocacy best practices to help prepare for in-district legislative meetings, hosting members of Congress at site visits and engaging with legislators online.

CMS proposes pay increases for outpatient, ASC services and other policies

In the 2025 Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) Payment System proposed rule (PDF), CMS proposes to increase payment to hospital outpatient departments (HOPDs) and ASCs that meet relevant quality reporting requirements by 2.6% in 2025. This reflects a hospital market basket increase of 3.0% minus a 0.4 percentage point productivity adjustment. CMS proposes to separately pay for seven drugs and one device as non-opioid treatments for pain relief and to separately pay for any diagnostic radiopharmaceutical with a per day cost greater than \$630 and remove their costs from the payment amounts for the nuclear medicine tests. CMS proposes many changes to HOPD and ASC quality reporting programs, including adding equity measures to the ASC and rural emergency hospital programs.

The agency would permit Medicare payment for services to individuals who are on parole, probation and home detention and revise Medicare special enrollment periods for formerly incarcerated individuals to include individuals who have been released from incarceration or parole, probation or home detention. CMS proposes to require 12-month continuous eligibility for children under the age of 19 enrolled in Medicaid and CHIP. CMS also proposes to amend the Medicaid clinic services regulation to authorize federal reimbursement for services furnished outside the “four walls” of a freestanding clinic by IHS/Tribal clinics.

In addition, CMS proposes new Conditions of Participation (CoPs) for hospitals and critical access hospitals (CAHs) for obstetrical services, including new requirements for maternal quality assessment and performance improvement, baseline standards for delivery of care within obstetrical units, and staff training on evidence-based maternal health practices on an annual basis. The AMA expressed concerns (PDF) about an obstetrical services CoP in our response to the Inpatient Prospective Payment System proposed rule request for information and urged the agency to meet directly with the AMA, American College of Obstetrician-Gynecologists and other impacted national medical specialty societies to ensure the agency understands how CoPs would impact maternity care across the country.

AMA will analyze the rule and share comments with the Federation. Comments are due to CMS by Sept. 9, 2024. For more information, review the CMS fact sheet and press release.

Medicare Part D vaccine update

Although the Medicare Part B program covers vaccine and vaccine administration costs for flu, pneumonia, hepatitis B and COVID-19, other vaccines and their administration are covered under the Medicare Part D prescription drug program. For example, Part D vaccines include those for shingles, respiratory syncytial virus (RSV) and tetanus-diphtheria-pertussis (Tdap). Effective Jan. 1, 2023, the Inflation Reduction Act eliminated patient cost-sharing for Part D vaccines that are recommended by the Advisory Committee on Immunization Practices. An HHS report (PDF) found that the 10.3 million patients with Medicare Part D who received an RSV, shingles and/or Tdap vaccine in 2023 saved more than \$400 million in out-of-pocket costs due to the elimination of copays and deductibles for these vaccines.

Still, even without cost-sharing burdens, access to Part D vaccines can be cumbersome and is not as straightforward as Part B vaccine coverage and payment. To help physicians navigate this process, CMS has recently published an updated fact sheet on Part D vaccines (PDF) outlining the various ways in which patients with Medicare Part D can obtain vaccines and physicians who administer Part D vaccines can be compensated, even if they are out of network. For example, out-of-network physicians can use a web-assisted portal to submit the out-of-network claim to the patient's Part D plan. Another option is that if the patient's pharmacy is in the Part D plan's network, then the pharmacy that dispenses the vaccine can bill the patient's Part D plan for the vaccine directly, and the physician who administers the vaccine can bill the patient for the vaccine administration cost and the patient can seek reimbursement from their Part D plan.

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