MA Prior Authorization Bill Advances

MA Bill Costs \$16 B; Vaccine, FQHC, EMS Bills Advance As Well

House Energy and Commerce Committee Chairman Frank Pallone, Jr. (D-NJ) and Health Subcommittee Chairwoman Anna G. Eshoo (D-CA) presided over a Health Subcommittee markup this morning on five bipartisan and bicameral bills aiming to expand "affordable, high-quality care." Webcast can be found <u>here</u>.

- Medicare Advantage prior authorization bill passed the Committee unanimously today. Draft
 of H.R. 3173 is found <u>here</u>. "Improving Seniors' Timely Access to Care Act of 2021," introduced by
 Rep. Suzan DelBene (D-WA) and 322 other original cosponsors aims to lessen administrative
 burden for providers.
- The bill aids providers, physicians & hospitals, while burdening payers (MA Plans). The bill has a whopping 322 cosponsors in the House. The bill could easily pass in 2022. The MA Prior authorization bill requires plans to:

(1) establish an electronic prior authorization program that can provide "real time decisions" (definition to be updated by HHS Secretary every two years),

(2) report to HHS on use of prior authorization and approval/denial rates and a list of services subject to prior authorization,

- (3) meet prior authorization technical, quality and timeliness standards set by CMS,
- (4) share policies with providers and suppliers, and
- (5) tell beneficiaries the criteria used to make determinations.
- Better Medicine Alliance (BMA) endorses the legislation, while the two national trades (AHIP/BCBSA) have not been explicit in support / opposition. BMA notes that the bill not only protects beneficiaries it promises streamlined health delivery, reducing care delays, and also helps plans and providers improve communication and care coordination. Read BMA's statement <u>here</u>. The American Hospital Association (AHA) also voiced support earlier this summer, read the letter <u>here</u>. AARP, AMA, AHA, and 500+ other organizations support the bill.
- CBO score released today indicates that the bill <u>costs</u> the government money (\$16.2 B over ten). The score may impact odds of passage as Congress typically looks for savers in our current budget environment. The score was released today (<u>here</u>). The CBO notes that "We expect Medicare Advantage plans would increase their bids to include the cost of these additional services, which would result in higher payments to plans."
- <u>NEXT STEPS</u>: The bill passed unanimously but the significant price tag does not help (i.e., the bill would have to be offset by a policy or bill that saves dollars to offset the \$16 B). Senate companion bill (<u>S.3018</u>) is sponsored by Sen. Marshall (R-KS). It would have to be marked by Committee and passed by the full Senate. The bill has such bipartisan and bicameral support that we think 4Q22 passage is likely if the cost can be "paid for." On MA we expect (1) Fall Technical Rule & Landscape files (2) RADV final rules this fall; the latter is due by Nov 1. We previewed the RADV rule (inputs & scenarios) on Friday 9/9.

OTHER BILLS PASSED TODAY

- <u>PASSED</u>: National Vaccine Injury Compensation Program updated, for the first time since establishment in 1986, addressing a 2 year backlog of cases. Draft of H.R. 3655 is found here. Introduced by Reps. Doggett (D-TX) and Upton (R-MI), the "Vaccine Injury Compensation Modernization Act of 2021" (1) removes current special master cap of eight, and replaces it with a minimum of at least 10, (2) updates reporting requirements, (3) requires more timely table updates as new vaccines are recommended, (4) increases compensation caps, and (5) changes statute of limitations from 36 months after the date of the first symptom or to five years after such date. AINS filed strikes all but Section 2(A) regarding the cap on special masters and pending applications to promote more fair and efficient resolutions. Senate companion bill (S. 3087) is sponsored by Sen. Casey (D-PA). <u>H.R. 3656</u>, currently in House Ways and Means, automatically applies the excise tax on vaccines added to the vaccine injury table by the HHS secretary, without Congress acting.
- <u>PASSED</u>: MOBILE Health Care Act helps FQHCs expand oral care, other services. Draft of H.R. 5141 is found here. The "Maximizing Outcomes through Better Investments in Lifesaving Equipment for (MOBILE) Health Care Act" is a bipartisan effort by Reps. Susie Lee (D-NV), Hudson (R-NC), Ruiz (D-CA), and Herrera Beutler (R-WA), passed the subcommittee with 29 votes. The bill allows Federally Qualified Health Centers (FQHCs) to use New Access Point grants to (1) establish mobile health vehicles for medical or oral care and (2) for renovation and new construction costs for serving medically underserved populations. Bill passed subcommittee unanimously. Senate companion bill (S.958) sponsored by Sens. Rosen (D-NV) and Collins (R-ME) passed last week.
- <u>PASSED</u>: EMS and Trauma care receive grant / support. Draft of H.R. 8163 is found <u>here</u>. Rep. O'Halleran (D-AZ) introduced the "Improving Trauma Systems and Emergency Care Act" in June 2022 to reauthorize grants through FY2027 that improve emergency medicine and trauma care in rural areas. The bill (1) requires the Office of the Assistant Secretary for Preparedness and Response (ASPR) to develop guidance for and support states in improving emergency medical services (EMS) and trauma care during emergency declarations and (2) expands eligibility and revises grants for improving EMS and trauma care in rural areas and regional systems. Senate companion bill (<u>S.3566</u>) is sponsored by Sen. Reed (D-RI).
- <u>PASSED</u>: Michigan aims to fund Flint Registry. Draft of H.R. 6737 is found <u>here</u>. "Flint Registry Reauthorization Act," introduced by Rep. Kildee (D-MI) and Rep. Moolenaar (R-MI) and 12 other bipartisan cosponsors, reauthorizes the Lead Exposure Registry program at \$50M over the next decade, amending the Water Infrastructure Improvements for the Nation (WINN) Act. The Registry identifies and supports health needs of individuals impacted by the Flint water crisis. Senate companion bill (<u>S.3651</u>) is sponsored by Sens. Stabenow (D-MI) and Peters (D-MI).
- <u>NEXT STEPS:</u> The bills now move to the full committee for passage. We could see MA Prior authorization pass in 2022. The Senate MA companion bill would need to be considered by Senate Finance. We await CBO scores for the four bills above as we assess odds of passage.