



ML Strategies Update

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Health Care Update

- **Momentum for Telemedicine Policy Reform Continues:** In recent weeks, health care policymakers have given telemedicine increased attention as a potential solution to increase access while reducing costs. In early May, the House Energy and Commerce Health Subcommittee held a hearing to determine how technology can advance the health care system and requested comments from stakeholders and industry—which are due by June 16th. A Mintz Levin blog post on the Subcommittee's request for public comment is available [here](#).

Senator Ron Wyden (D-OR), Chairman of the Senate Finance Committee, has recently promised to work to make Medicare policies friendlier to telehealth. In addition, there are currently several bills before Congress that would take steps to reform the regulatory framework and spur greater reimbursement for telehealth, including: the *Telehealth Modernization Act* ([H.R. 3750](#)); the *Telehealth Enhancement Act* ([H.R.3306](#)); and the *TELE-MED Act* ([H.R. 3077](#))—and more bill introductions are likely.

Also, this week the American Medical Association is considering at its annual meeting a new policy on “Coverage of and Payment for Telemedicine.” This follows recent action by the Federation of State Medical Boards (FSMB) to adopt a new “[Model Policy for the Appropriate Use of Telemedicine Technologies in the Practice of Medicine](#).”

Finally, many stakeholders are anticipating how CMS will promote the use of telehealth and remote patient monitoring in the upcoming Accountable Care Organization (ACO) rules that are expected in mid-summer. The new ACO rule could provide reimbursement for telehealth services so that providers are able to utilize technologies to improve efficiencies and ultimately lower costs.

Implementation of the Affordable Care Act

CMS Will Not Finalize Federal Upper Limits: CMS [announced](#) that it will not finalize the Medicaid Advantage Price-based Federal Upper Limit (FUL) reimbursement levels for multiple-source drugs by the July 2014 timeline.

HHS Increases Health Centers Funding: HHS [announced](#) it will award up to \$300 million in additional funding to the 1,300 federally qualified community health centers. The supplemental funding is meant to assist the centers in staffing and implementing the ACA.

Medicaid and CHIP Enrollment Up: According to a [press release](#) from CMS, as of May 1st, six million more people were enrolled in Medicaid and CHIP than were covered in the three months before ACA enrollment began last year.

Mismatched Enrollment Records for 2 Million: A CMS [blog post](#) finds that about 2 million people enrolled in ACA exchanges submitted information that does not align with federal records. While there are concerns this could jeopardize coverage, CMS says the “Marketplace is working around the clock with consumers who were asked to provide additional information in order to double check.”

Contention over ACA at House E&C: In a [letter](#) to the Chairman Fred Upton (R-MI), Ranking Member of the House Energy and Commerce Committee Henry Waxman (D-CA) charged Upton with releasing “false or misleading information about the ACA.”

CBO/JCT Analysis of Mandate Penalties: The Congressional Budget Office (CBO) and Joint Committee on Taxation (JCT) released a new estimate of those who will pay fines for violating the ACA’s individual mandate. Analysts now predict 4 million people (2 million less than previously) will be charged penalties in 2016.

Other Federal Regulatory Initiatives

ONC Reorganizing to Promote Health IT: The Office of the National Coordinator (ONC) for Health IT Dr. Karen DeSalvo, [announced](#) the agency will reorganize as part of its “next chapter to promote interoperable health IT solutions that support the ultimate goal of better health for all.”

ONC’s 10 Year Interoperability Plan: The ONC released a new [policy paper](#) on how to achieve interoperability to advance the connectivity of electronic health information. Some of the goals outlined in the paper include electronic vaccination histories and electronic sharing of lab results.

HHS Releases Data and Hospital Transparency Tools: CMS [released](#) the first annual update to the Medicare hospital charge data—information comparing the average amount a hospital bills for services that may be provided in connection with a similar inpatient stay or outpatient visit.

HHS On the EPA Clean Power Plan: [Speaking](#) on the EPA’s carbon standards for power plants released last week, Secretary Sebelius said the rules will “help protect public health by improving air quality and reducing exposure to particle pollution.” The President also [joined](#) the American Lung Association and other public health leaders to discuss the health effects of carbon pollution.

FDA Launches openFDA: the FDA launched [openFDA](#), a new initiative designed to make it easier for web developers, researchers, and the public to access large, important public health datasets collected by the agency.

VA Study Shows Telemedicine Can Improve Eye Care: A [study](#) by the Department of Veterans’ Affairs found that teleretinal screenings can provide accurate diagnoses and help diagnose early-stage eye disease.

NIH Lays Out BRAIN Initiative: NIH released a federal [report](#) calling for \$4.5 billion in funding for brain research over the next 12 years. The Brain Research through Advancing Innovative Neurotechnologies (BRAIN) Initiative includes program goals such as learning about the chemical and electrical reaction in the brain.

Other Congressional and State Initiatives

Senate Confirms Burwell: The Senate voted to confirm Sylvia Mathews Burwell as Secretary of HHS in a vote of 78 to 17. Over 20 Republicans joined Democrats in approving the nomination. The roll call vote can be found [here](#).

Health Subcommittee Leaders Target Anabolic Steroids: The Chairman and Ranking Member of the House Energy and Commerce Subcommittee on Health, Joseph Pitts (R-PA) and Frank Pallone (D-NJ), [introduced](#) the Designer Anabolic Steroid Control Act (H.R. 4771). The bill would crack down on bodybuilding products that contain

chemical compounds known as anabolic steroids and are often deceptively marketed as dietary supplements. A Senate version was introduced in February.

Bill to Bring Anesthesiology to Rural Areas: Representatives Lynn Jenkins (R-KS) and Emanuel Cleaver (D-MO) introduced [legislation](#) to allow certain rural hospitals to use Medicare Part A funding to attract and retain anesthesiologists.

House Small Business on SHOP: on June 3rd, House Small Business Committee Chairman Sam Graves (R-MO) wrote to CMS asking for an update on the Affordable Care Act (ACA) Small Business Health Options Plans (SHOPs).

GAO Responds on PT Referrals: The GAO released its fourth [report](#) in a series responding to a request by Senator Chuck Grassley (R-IA) and Representatives Sander Levin (D-MI) and Henry Waxman (D-CA) to study whether physicians are more likely to make a physical therapy referral if they benefit financially.

House Committee Presses on State Health Exchanges: In a [letter](#), House Energy and Commerce Republicans pressed HHS for details on the failed state-run health care exchanges.

Energy and Commerce Pushing Health Innovation: House Energy and Commerce Republicans sent a [letter](#) to DeSalvo, National Coordinator for Health Information Technology, questioning the ONC's authority to expand its regulatory role in the Health IT space.

Democrats Introduce ACA Fix: Twenty Senators, 18 Democrats and 2 Independents, have introduced the [Family Coverage Act](#), a bill that would fix a glitch in the ACA to allow families to qualify for federal premium subsidies if their family coverage provided by an employer is deemed too costly.

Other Health Care News

New MedPAC Members: Three new members were [appointed](#) to the Medicare Payment Advisory Commission (MedPAC): Kathy Buto, Vice President, Johnson & Johnson; Francis Crosson, Vice President, American Medical Association in Chicago; and Warner Thomas, President, Ochsner Health System in New Orleans.

Apple iOS8 Will Have Health App: [Announcing](#) the new iOS8, Apple said the operating system will include a new app called Health. The app will serve as a central repository for fitness apps and data.

Study on EHRs in Medical Homes: A [study](#) from the Annals of Internal Medicine found that the use of an electronic health record (EHR) did not have an effect on improving patient care in patient-centered medical homes (PCMH).

Health Datapalooza IV: This week was [Health Datapalooza V](#), with more than 2,000 attendees participating and sharing visions for the future of health care data. The event also featured the announcement of Code-a-Palooza winners who created data visualization tools that leverage the newly-released [Centers for Medicare & Medicare Services \(CMS\) claims data](#).

Upcoming Hearings and Markups

Senate

On June 10th, the Senate Appropriations Committee's Subcommittee for Labor, Health and Human Services, Education and Related Agencies will mark up its FY2015 funding bill.

House

On June 9th, the House Energy and Commerce Committee will [mark up](#) pending legislation, including the Ensuring Patient Access and Effective Drug Enforcement Act.

On June 9th, the House Veterans' Affairs Committee will hold an oversight [hearing](#) titled "Data Manipulation and Access to VA Health Care."

On June 10th the Health Subcommittee and the Oversight Subcommittee of House Ways and Means Committee will hold a [hearing](#) on the verification system for income and eligibility for tax credits under the 2010 health care law.

On June 11th, the House Energy and Commerce Subcommittee on Health will hold a [hearing](#) titled “21st Century Cures: Examining the Role of Incentives in Advancing Treatments and Cures for Patients.”

On June 12th, the Health Subcommittee of the House Energy and Commerce Committee will hold a [hearing](#) on the 2010 health care law, its mandates and its effect on physician and prescription drug access.

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