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June 1, 2015

## Health Care Update

### Federal Regulatory Initiatives

**CMS Releases Draft Rules on Medicaid Managed Care:** The Centers for Medicare and Medicaid Services (CMS) [proposed](#) a set of regulations for Medicaid and Children's Health Insurance Program (CHIP) managed care plans. These regulations include requirements that states adopt network adequacy standards that are similar to Medicare Advantage plans' and that at least 85 percent of the revenue for Medicaid managed care plans cover medical expenses. Under CMS' new regulations for Medicaid managed care plans, states could place these plans in delivery system reforms, such as health information exchanges. In addition, they could give providers who are ineligible for meaningful use payments incentive payments to deploy information technology.

**HHS Launches New Payment Model to Combat Heart Disease:** The Department of Health and Human Services (HHS) Secretary Sylvia Burwell [unveiled](#) a new payment model for health care providers to reduce cardiovascular disease. The model will assign each patient a personalized risk score, which it will factor into its calculations for payments to insurance providers. This model's personalization departs from the current model, which assesses providers on metrics standardized for all patients. The initiative's goal is to prevent one million heart attacks and strokes by 2017.

**HHS Issues Grants to Improve Heart Health:** As a part of HHS's new initiative, "EvidenceNOW: Advancing Heart Health in Primary Care," the agency will [allocate](#) \$112 million in grants to regional cooperatives that work on heart health. The cooperatives, stretched across twelve states, will enlist around five thousand primary care professionals to help eight million patients who are seeking to improve their heart health. A portion of the \$112 million in grants that HHS reserved for work on heart health will [support](#) a program to improve and expand the use of EHRs in small and medium-sized primary care practices. The program will operate out of seven regional, public-private cooperatives that will each partner with 250 to 300 practices.

**New HHS CTO:** HHS [announced](#) that Susannah Fox will be the incoming Chief Technology Officer (CTO) of HHS. Fox, who will replace Bryan Sivak, joins the agency after positions as entrepreneur in residence at the Robert Wood Johnson Foundation and with the Pew Charitable Trusts.

**Report Recommends Fewer Patient Alerts:** The Agency for Healthcare Research and Quality (AHRQ) [urged](#) the health care industry to release fewer alerts due to growing alert fatigue among patients. Despite a split among experts over how to reduce fatigue, the agency suggests alerts be more specific, patient-centric, and variable.

**USDA Designates Grants for Telemedicine:** USDA will [reserve](#) \$19 million in fiscal 2015 for grant applicants to its Distance Learning and Telemedicine program. The program provides students, teachers, medical professionals and rural residents with telecommunications equipment, computer networks and advanced technologies.

**ASPE Report on Hospice Care Intensity:** The HHS Office of the Assistant Secretary for Planning and Evaluation (ASPE) released a [report](#) funding that the length of stay in hospice services, which are used by nearly half of all Medicare beneficiaries who die in a year, is increasing in both for-profit and non-profit settings.

## Congressional Initiatives

**Sen. McCaskill Wants Answers about Potential MA Fraud:** Senator Claire McCaskill (D-MO), the Ranking Member on the Special Aging Committee, has [asked](#) CMS to explain how it has protected Medicare Advantage plans from fraudsters seeking to bilk the program's risk-scoring system. Inspired by whistleblower lawsuits, McCaskill wants a CMS briefing by June 12<sup>th</sup>.

**Bill Increases Care Options Covered Under Medicare:** Senators Maria Cantwell (D-WA), Patty Murray (D-WA), and John Thune (R-SD) [introduced](#) the Rural ACO Improvement Act to include in Medicare coverage visits to nurse practitioners, physicians' assistants and clinical nurse specialists a part of Medicare Accountable Care Organizations. The bill's goal is to expand access to care for rural Americans, many of whom do not live near doctors.

**E&C Subcommittee to Hold Hearing on Medicare Fraud:** The House Energy and Commerce Subcommittee on Oversight will address improper Medicaid payments in a [hearing](#) on Tuesday, June 2 at 10:15 AM in 2322 Rayburn.

**Close to a Dozen Opioid Bills Pending:** Lawmakers have introduced several bipartisan bills to combat opioid abuse. [One](#) from Senators Mitch McConnell (R-KY) and Bob Casey (D-PA) and Representatives Kathleen Clark (D-MA) and Steve Stivers (R-OH) would order HHS to identify best practices for the treatment and diagnosis of neonatal abstinence syndrome, a drug dependency that newborns can contract from opioid exposure. [Another](#) from Representatives Phil Roe (R-TN) and Ami Bera (D-CA)—both doctors—would establish a grant program for the disposal of abused prescription drugs.

**Senate Finance Committee Chronic Care Working Group:** Because the House E&C Committee's 21<sup>st</sup> Century Cures Act did not extend Medicare reimbursement for telemedicine, the Senate Finance Committee faces added pressure to do so. A sign that the committee may advance the cause is that Senators Mark Warner (D-VA) and Johnny Isakson (R-GA) have formed a working group to examine treatments for Medicare patients with chronic conditions. Among the treatments they are interested in is telemedicine. They have sent a [letter](#) to industry asking for its comments on, among other issues, telehealth and remote monitoring technology.

**Sen. Alexander Talks EHRs' Importance:** Senate HELP Committee Chairman Lamar Alexander (R-TN) said improvements in medical practice and research like the Precision Medicine Initiative hinge on more accurate and accessible electronic health records. He added the issue is a priority of his and Ranking Member Patty Murray (D-WA) and that it will likely factor into the Senate's decision whether to promote ONC chief Karen DeSalvo to assistant secretary of Health.

## Upcoming Congressional Hearings

### *Senate*

On June 3<sup>rd</sup>, the Senate Veterans' Affairs Committee will hold a [hearing](#) on pending health care legislation.

On June 4<sup>th</sup>, the Senate Judiciary Subcommittee on Oversight, Agency Action, Federal Rights and Federal Courts will hold a [hearing](#) titled, "Rewriting the Law: Examining the Process That Led to the ObamaCare Subsidy Rule."

### *House*

On June 1<sup>st</sup>, the House Veterans' Affairs Subcommittee on Oversight and Investigations held a [hearing](#) titled, "Circumvention of Contracts in the Provision of Non-VA Healthcare."

On June 2<sup>nd</sup>, the House Energy and Commerce Subcommittee on Oversight and Investigations held a [hearing](#) titled, "Medicaid Program Integrity: Screening Out Errors, Fraud, and Abuse."

On June 3<sup>rd</sup>, the Joint Economic Committee will hold a [hearing](#) titled "Examining the Employment Effects of the Affordable Care Act."

On June 4<sup>th</sup>, the House Energy and Commerce Subcommittee on Health will hold a [hearing](#) titled, "Examining H.R. 2017, the Common Sense Nutrition Disclosure Act of 2015."

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