

ML Strategies Health Care Preview

Week of July 16th

This week, Congress remains in session and the Administration remains hard at work on the regulatory side, publishing the [Medicare Physician Fee Schedule for 2019](#) last Thursday in addition to the [CY 2019 Changes to End-Stage Renal Disease Prospective Payment System](#). Comments on both proposed rules are due by September 10, 2018.

The Administration's drug pricing plan and request for information's deadline for comments is today. It sets up the Administration to work on drug pricing issues this fall, but the question remains whether Congress will take up anything meaningful. The Administration's recent focus on drug pricing suggests they will look for steps they can take unilaterally as well as through Congress.

This week will feature six important hearings in the health space, in addition to several noteworthy "off-Hill" briefings. The Ways & Means Stark reform hearing is especially noteworthy. Few people truly understand the intricacies of Stark and proposed changes which health systems feel are necessary to improve health care delivery. While opponent's line up against changes in ways that can scare policymakers, this hearing should feature proposals that could start conversations to make productive changes to Stark. That said, it will take a real commitment from legislators deciding to make it a priority.

ACA RISK ADJUSTMENT

Last week, the Trump Administration announced that it would suspend risk adjustment payments following a ruling in a New Mexico federal court. The decision and uncertainty that follows will negatively hurt states across the country.

CMS late last week released [technical guidance](#) for issuers and plans to follow up with more guidance to mitigate some of the consequences of the announcement. For example, CMS will not collect or pay the risk adjustment transfer amounts for 2017 at this time. It is also delaying administrative appeals for matters related to the calculation of such transfer amounts in 2017.

This decision and ongoing litigation could have consequences as we head into the fall. In Kentucky, the Department of Insurance [said](#) "the rates carriers filed are where we stand now; however, all changes must be final and uploaded by August 22nd. It is possible that the deadline could be pushed back given the changes to the risk adjustment."

It is important to monitor how state issuers respond to the litigation and prepare for plan year 2019 in response.



THIS WEEK IN THE HOUSE

On Tuesday (7/17), the House Ways & Means Oversight Subcommittee will hold a [hearing](#) titled, "Combating Fraud in Medicare: A Strategy for Success."

On Tuesday (7/17), the House Ways & Means Health Subcommittee will hold a [hearing](#) titled, "Modernizing Stark Law to Ensure the Successful Transition from Volume to Value in the Medicare Program."

On Tuesday (7/17), the E&C Oversight and Investigations Subcommittee will hold a [hearing](#) titled, "Examining State Efforts to Improve Transparency of Health Care Costs for Consumers."

On Thursday (7/19), House E&C Health Subcommittee will hold a [hearing](#) titled, "21st Century Cures Implementation: Examining Mental Health Initiatives."

THIS WEEK IN THE SENATE

On Tuesday (7/17), the Senate HELP Committee will hold a [hearing](#) titled, "Reducing Health Care Costs: Eliminating Excess Health Care Spending and Improving Quality and Value for Patients."

On Wednesday (7/18), the Special Committee on Aging will hold a [hearing](#) titled, "Supporting Economic Stability and Self-Sufficiency as Americans with Disabilities and their Families Age."