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Where democracy gets to work

# Federal Policy Landscape 2024+

## Implications for Rural Health Care Delivery

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# Welcome, HELP Webinar participants!

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# Who We Are

- The Bipartisan Policy Center is DC's leading organization focused on supporting policymakers as they work across party lines to craft bipartisan solutions to our nation's biggest challenges.

- BPC and BPC Action, our 501(c)(4) advocacy affiliate, have the trust and credibility in Washington and across the country to work on pressing issues in a constructive way.

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# Learning Objectives

Upon completion of this webinar, attendees will be able to:

1. Understand the current political and policy dynamics in Congress and the Administration that affect rural health care delivery including behavioral health.

2. Understand major federal policies with implications for rural health care providers and health systems such as telehealth and Medicare Access and CHIP Authorization Act (MACRA).

3. Recognize how policy changes and priorities anticipated post-election could impact rural health care providers.

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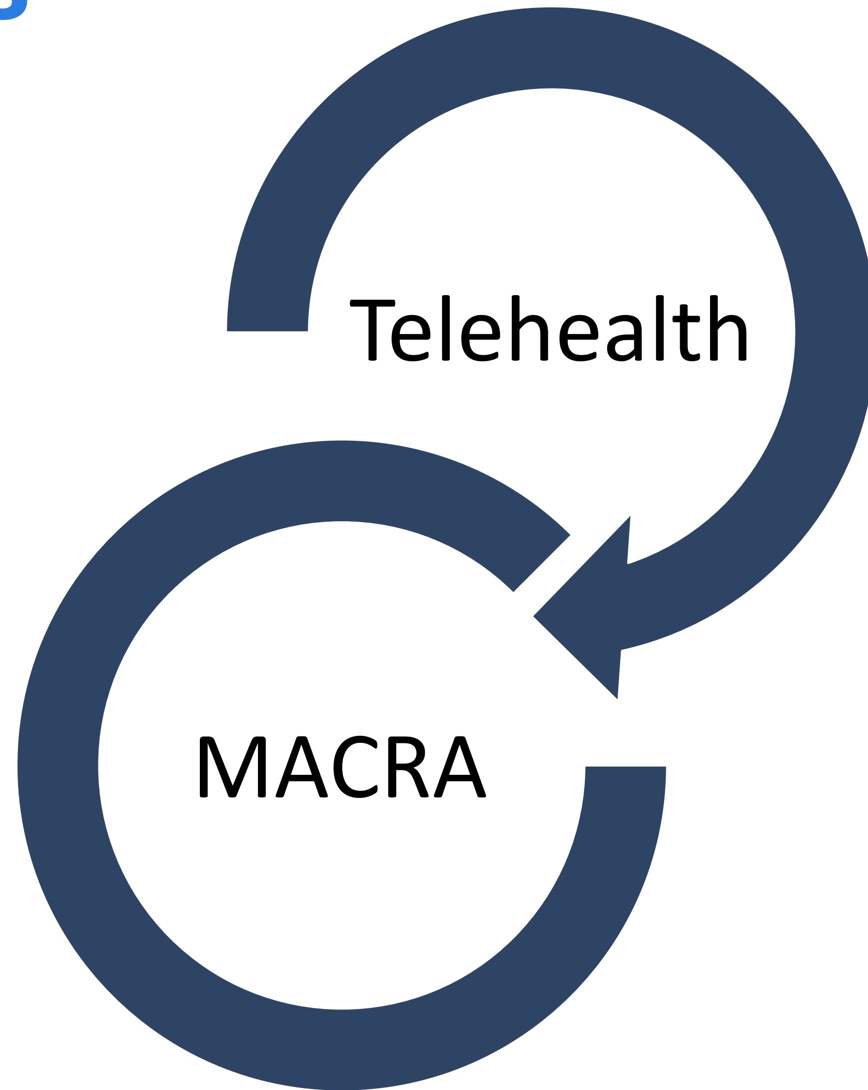
# Policy Areas



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# Current Landscape: Telehealth/Tele-behavioral health

# Federal Policy Landscape

- 2025 Physician Fee Schedule proposed rule: makes permanent audio only telehealth modality
- DEA proposed rule: anticipate updated rules for controlled substance prescribing to come any day now
- Congressional action to extend telehealth flexibilities: Congress is considering bipartisan proposals to maintain current telehealth provisions through 2026. Key committees in the House and Senate have expressed interest in extending telehealth policies, and the House Ways and Means and Energy and Commerce committees have advanced legislative proposals (H.R. 8261 and H.R. 7623, respectively).

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# Areas of focus for policymakers

*Overall telehealth utilization is leveling off. 12% of Medicare FFS beneficiaries used telehealth in the third quarter of 2023. Telehealth is more common among younger, urban, racial and ethnic minorities, and lower income beneficiaries.*

- **Reimbursement**
  - Cost driven by # of visits (new utilization, substitutive vs. additive) and Medicare payment (provider reimbursement rates and other fees). CBO scores expected soon.
  - Telehealth is associated with small increases in health care utilization and cost (~1.6% increase).
- **Audio-only** (limited research due to coding challenges)
  - More common among older, rural, lower income, non-English speaking, and minority populations.
  - Provider-preference plays a role.
  - Upcoming PCORI systematic reviews to assess impact for behavioral health, diabetes, and other chronic conditions.
- **Teleprescribing**
  - Teleprescribing for OUD has reduced risk of overdose and patients report positive experiences.
  - Providers would like teleprescribing for OUD to remain an option, but many still prefer in-person care and report using less telehealth in recent years.
  - For some other drugs, concerns about pressures to overprescribe and DTC advertising by telehealth companies.
- **Licensure**
  - In states where licensure waivers expired in 2021, many patients with out-of-state providers stopped seeking care altogether rather than transitioning to in-person services.

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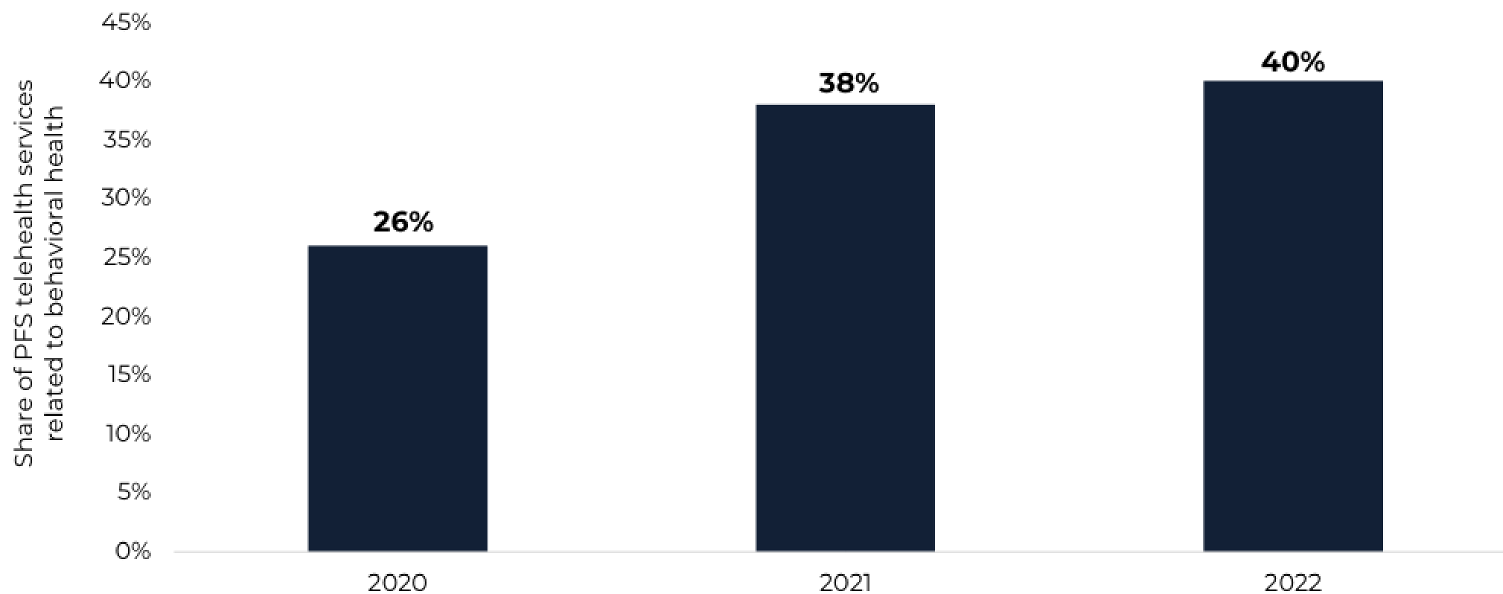
# Behavioral health services accounted for an increasing share of telehealth services, 2020–2022




**Note:** PFS (physician fee schedule). Services were defined as related to behavioral health if a Healthcare Common Procedure Coding System (HCPCS) code had a behavioral health Restructured BETOS Classification System code or it had a diagnosis code related to mental, behavior, or neurodevelopmental disorders (using the Agency for Healthcare Research and Quality's Clinical Classifications Software Refined).

**Source:** Analysis of Medicare claims data for 100% of fee-for-service beneficiaries.

Source: https://www.medpac.gov/wp-content/uploads/2023/10/Telehealth-April-2024-SEC.pdf

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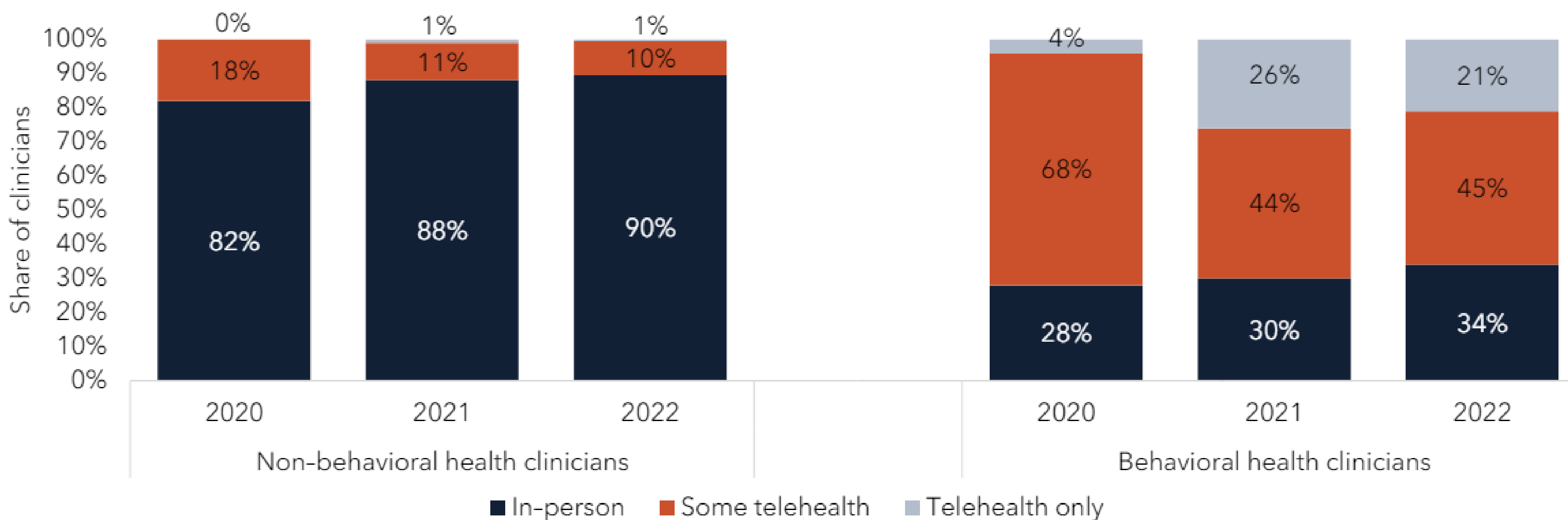
# Relatively few clinicians provided telehealth services exclusively, but trends differed for behavioral health, 2022




**Note:** Columns may not sum to 100% due to rounding. Includes clinicians who billed services for at least five unique fee-for-service (FFS) beneficiaries in the calendar year. "In-person only" clinicians had 0% to 10% of physician fee schedule (PFS) services that were for telehealth or digital health services in the calendar year. "Some telehealth" clinicians had 11% to 89% of PFS services that were for telehealth or digital health services in the year. "Telehealth-only" clinicians had 90% or more of PFS services that were for telehealth or other digital services in the calendar year. We set the threshold at 90% (instead of 100%) to allow for some services being miscoded and because some other services that we did not count as telehealth or other digital health services can be delivered without an in-person visit (e.g., chronic care management). Behavioral health clinicians were defined as national provider identifiers with specialties of psychiatry, general psychiatry, psychology (billing independently), clinical psychology, addiction medicine, licensed clinical social work, or neuropsychiatry.

**Source:** Analysis of Medicare claims data for 100% of FFS beneficiaries.

Source: https://www.medpac.gov/wp-content/uploads/2023/10/Telehealth-April-2024-SEC.pdf

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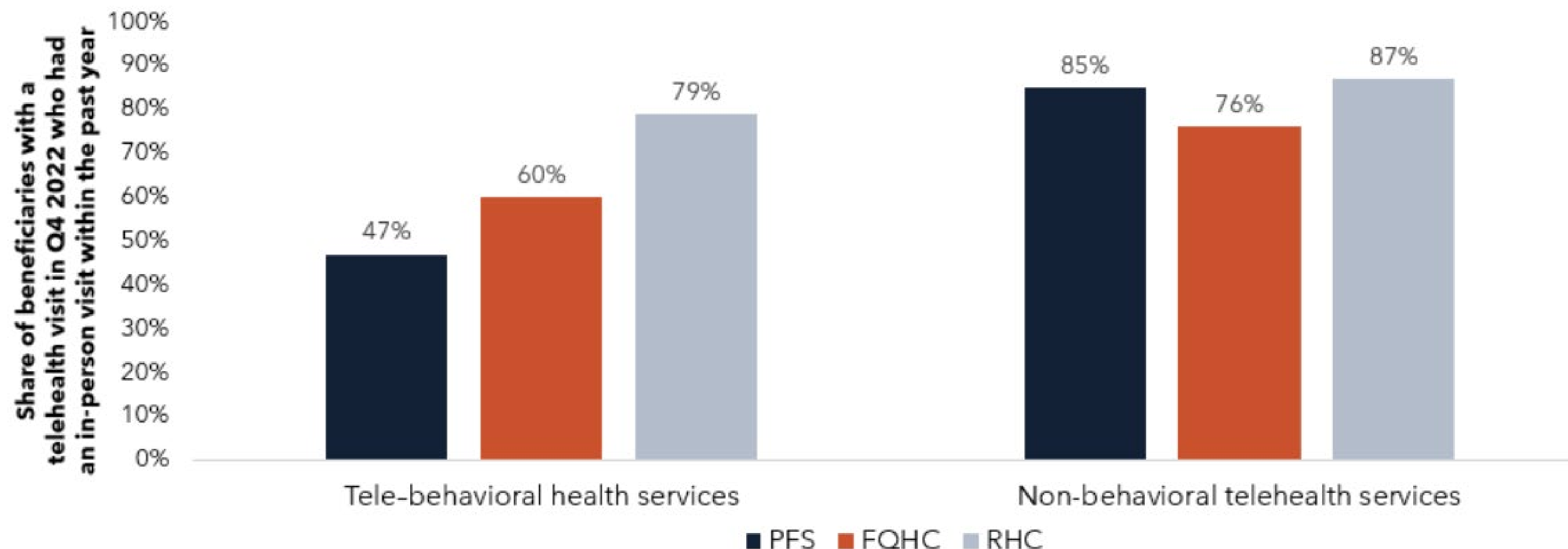


Source: MedPAC Academy Health Presentation 6/2024

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# BPC Recommendations

- July 2024: BPC released recommendations for federal telehealth policy with guardrails.
- It is critical for Congress to preserve telehealth access and commit to:
    1) establishing a more sustainable, long-term telehealth reimbursement strategy, and
    2) ensuring high quality virtual care through robust oversight and quality assurance.

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# Long-term Reimbursement Strategy

- Congress should require CMS to study the cost of telehealth, propose a long-term reimbursement strategy, and submit a report on its findings by June 2026.
- As part of this work, CMS should propose new reimbursement models that account for virtual care services delivered as part of a hybrid model of care (in-person, plus virtual).

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# High-quality Virtual Care

- CMS and SAMSHA should work with medical specialty societies and states to develop and promote best practices for prescribing controlled substances via telehealth.
- CMS should require that providers offering audio-only telehealth services attest that they have the capabilities to deliver two-way video visits at the time of service and that they offered the patient the choice of a video visit, but the patient was either unable or unwilling to complete a video visit.
- CMS should promote continuity of care by requiring telehealth providers to have protocols for sharing progress notes with a patient’s usual care team. CMS should also require that providers offering telehealth services have the capacity to deliver or refer patients to in-person care, particularly in emergency situations.

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# Current Landscape:
# MACRA
# Physician Payment Reform

# Federal Policy Landscape

- **Brief History**
  - The Medicare Access and Children's CHIP Reauthorization Act—also known as *MACRA*—was signed into law in 2015. It took effect in 2017.
  - *Goal*: Reward providers for value-based care, rather than on volume of services provided. Shift providers out of fee-for-service and into alternative payment models. Improve patient outcomes. Spend federal dollars wisely.
- **Health and Human Services + CMS**
  - *Goal*: "All Medicare fee-for-service beneficiaries will be in a care relationship with accountability for quality and total cost of care by 2030."
  - *Progress*: Most traditional Medicare beneficiaries remain within FFS.
- **Congressional Action**
  - Senate Finance Committee, House Ways + Means Committee

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# Value-based care

Medicare Part B Physician Payment

Fee-for-service (FFS)

Quality Payment Program

Medicare Physician Fee Schedule

MIPS

AAPMS

Hybrid payments

ACOs

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# Areas of focus for policymakers

- Incentivize participation in advanced payment models
- Reduce administrative burdens on providers
- Ensure appropriate valuation of services: Primary Care

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# BPC Recommendations

- **Previous recommendations: Rural-focus**
  - *Confronting Rural America's Health Care Crisis* (2020 BPC Report)
    - Exempt beneficiary cost-sharing requirements for chronic care management services;
    - Increase the number of rural-specific CMMI demonstrations;
    - Provide a nominal payment update for rural clinicians reporting within the QPP + extend bonus payments for new AAPM participants; and
    - Decrease participation thresholds for rural providers in AAPMs.
- **2024 through 2025**
  1. Educational Explainers
  2. Policy briefs with legislative and regulatory recommendations
     - Grow participation in value-based models of care;
     - Address administrative burden; and
     - Ensure appropriate valuation of services.
  3. Public Events

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# Questions?

# Thank you!

Questions? Email Jharris@bipartisanpolicy.org

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