

# Where Are We Now? The Current Policy and Advocacy Landscape

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# Speaker

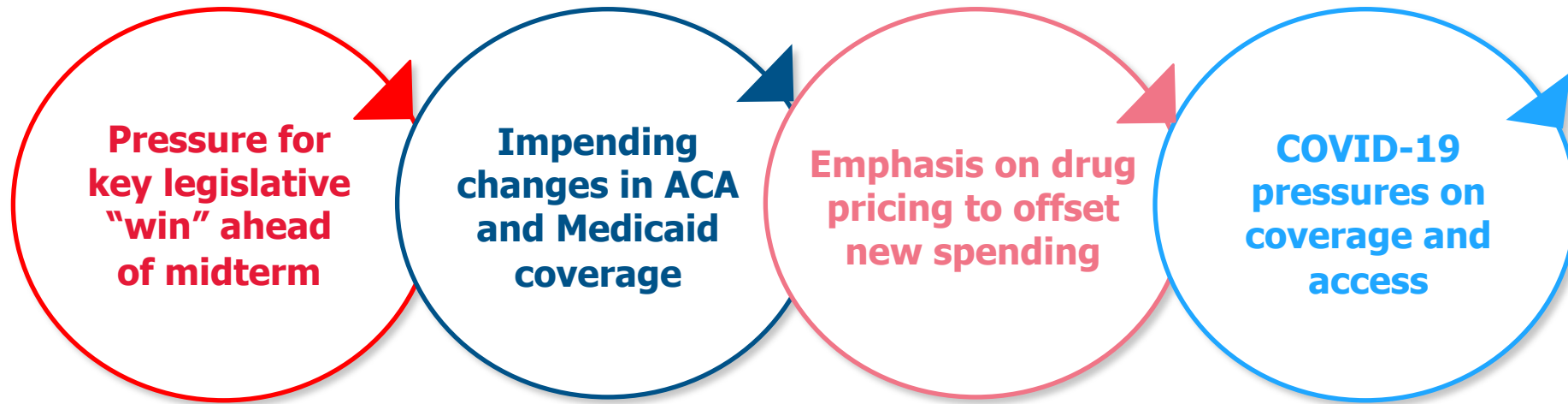
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# Key Factors Are Likely to Drive Healthcare Reform in 2022 and Beyond



**Legislative and regulatory activity are typical paths to advance healthcare reform, though ability to pass more significant change is likely to be limited given Congressional dynamics**

ACA: Affordable Care Act; BBBA: Build Back Better Act; PHE: Public Health Emergency



# The Administration Is Likely to Wait for Congress Before Advancing Select Reforms

## 1. Congressional Vehicles

**Skinny Build Back Better Act**

**Pandemic Response Legislation**

**Prescription Drug User Fee Agreement Reauthorization**

**Mental Health Legislation**

**FY 2022 Budget Appropriations/End-of-Year Omnibus Bill/ Lame Duck Legislation**

## 2. Administrative Vehicles

*Congressional gridlock + majority party changes post-midterms could make administrative path the primary approach for healthcare policy.*

**Traditional Regulation/ Rulemaking**

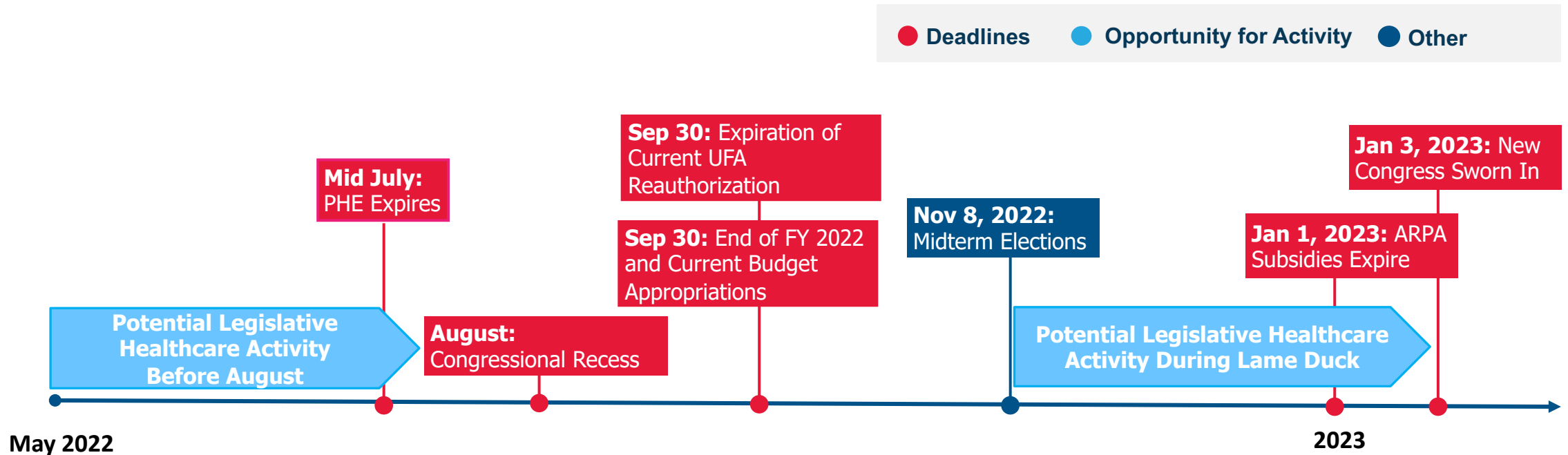
**CMMI**

**Executive Orders**

FY: Fiscal Year; CMMI: Center for Medicare and Medicaid innovation



# Midterm Elections & Relevant Deadlines Will Shape Timeline for 2022+ Reform Activity



Time is limited for Democrats to pursue major healthcare reform before a potential flip of the House and/or Senate come January 2023.

PHE: Public Health Emergency; UFA: User Fee Agreement Reauthorization; FY: Fiscal Year; ARPA: American Rescue Plan Act



# With Time and Budget Limited, Policymakers Must Prioritize Reforms

*The Administration and Congress are likely to focus on key reforms that address the following themes:*



*Reforms under consideration with impact to patients include:*

Drug Pricing Reform

Extension of ARPA ACA Enhanced Subsidies

Extension of/Transition from PHE-Related Policies

Mental Health Reform

Price Transparency

ARPA: American Rescue Plan Act; ACA: Affordable Care Act



# Congress May Advance Drug Pricing Reform Through a Skinny BBBA

## Medicare Negotiation

HHS Secretary can negotiate certain single-source Medicare Part B and D products. Negotiation would begin with Part D drugs and then expand to Part B

## Inflation-Based Rebates

Requires manufacturers to pay inflation-based rebates based on Medicare and commercial volume

## Part D Redesign

Creates an OOP cap and smoothing of beneficiary OOP costs, higher plan liability in the catastrophic phase, and a new manufacturer discount program throughout all phases of coverage

HHS: Department of Health and Human Services; OOP: Out-of-Pocket

# Mental Health Is a Heightened Priority in the Wake of the Pandemic

## Mental Health Parity

Stakeholders seek increased regulatory and congressional oversight to ensure payer compliance with mental health parity requirements

## Telehealth Access

Access to telehealth services across payers is a key priority for both federal and state legislatures

## Provider Networks

Lack of in-network care is a significant barrier to accessing treatment. Network expansion could be impactful for low-income patients unable to pay out-of-network rate

## Scope of Practice

Shortage of mental healthcare professionals creates calls for expanding SOP laws which currently lack uniformity across states

President Biden's **FY2023 budget proposal** included new funding for behavioral health programs, a proposal to apply mental health parity requirements to Medicare plans and modernize the Medicare mental health benefit, and heightened requirements for plans to offer mental health benefits.

SOP: Scope of Practice





# Lawmakers Face Pressure Ahead of Midterms to Extend ARPA Subsidies

ARPA included the temporary enhancement of ACA coverage subsidies to support insurance access during the COVID-19 pandemic. The enhanced subsidies are scheduled to expire January 1, 2023.

## BBBA Would Extend ARPA ACA Enhancements Through 2025

**Fully Subsidize Exchange Premiums for Low-Income Individuals**

**Increase Advance Premium Tax Credits**

**Expand Exchange Advance Premium Tax Credit Eligibility and New Premium Caps**

ACA: Affordable Care Act; ARPA: American Rescue Plan Act

# Looming End of PHE Creates Policy Pressures Related to Telehealth and Medicaid

## Medicare PHE Telehealth Flexibilities

- Expansion beyond beneficiaries in rural locations
- Use of personal phones and platforms (e.g., Zoom, Skype)
- Reimbursement parity with in-person services
- Remote monitoring and coding expansion
- Eligible provider-type expansion

**Post-2023 Outcome:** Barriers to telehealth may negatively impact elderly and chronically ill patients

## Medicaid PHE MOE Requirements

- States receive increased FMAP (6.2%) during PHE
- States prevented from disenrolling Medicaid members
- States paused routine Medicaid eligibility redeterminations

**Post-2023 Outcome:** Resumption of eligibility redeterminations could result in decreased enrollment, shifts to exchanges, and an increased uninsured rate

PHE: Public Health Emergency; FMAP: Federal Matching Assistance Percentage; MOE: Medicaid Maintenance of Eligibility



# Despite Recent Price Transparency Activity, Key Gaps Remains to Benefit Patients

## Recent Activity

- ✓ *No Surprises Act*
- ✓ *Transparency in Coverage Final Rule*
- ✓ *Section 204 of Consolidated Appropriations Act*
- ✓ *Hospital Price Disclosure Rule*

OOP: Out-of-Pocket

## Accomplishments

- Patient OOP protections in hospital setting
- Increased transparency of health care prices

## Potential Areas for Engagement

- Lack of transparency at individual product level
- Compliance issues with hospital price disclosures
- Limitations of data to be meaningfully consumable and comparable for patients



# The Patient Advocacy Community Is Well Positioned to Influence Health Policy in 2022

## Next Steps/

### 1. Consider

Prioritize the most impactful policies for your organization and the different scenarios in which they may be enacted (e.g., reconciliation, CMMI).

### 2. Assess

Evaluate the implications of the expiration of PHE and ARPA subsidies on the broader health insurance landscape.

### 3. Engage

Use data to inform conversations with policymakers; focus engagement on reconciliation process in addition to ongoing legislative, regulatory, and CMMI actions.

CMMI: Center for Medicare & Medicaid Innovation; PHE: Public Health Emergency; ARPA: American Rescue Plan Act



# Thank You!

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