

# Virtual Fly-In Webinar

*Coalition of State Rheumatology Organizations (CSRO) Fly-In  
July 27, 2021*

# WELCOME

Madelaine Feldman, MD, FACR, President, CSRO

# WEBINAR AGENDA

- Political Update
- Logistics/Schedule
- Issue Briefs
  - Medicare Payment Policy
  - Patient Access to Prescription Drugs
  - Utilization Management
- Q&A

# POLITICAL UPDATE

*Coalition of State Rheumatology Organizations (CSRO)  
2021 Virtual Fly-In  
July 27, 2021*

Presented by: Matt Duckworth, Hart Health Strategies Inc.

# POLITICAL UPDATE



# QUESTIONS?



# LOGISTICS

*Coalition of State Rheumatology Organizations (CSRO)  
2021 Virtual Fly-In  
July 27, 2021*

Presented by: Matt Duckworth & Eleni Valanos, Hart Health Strategies Inc.













Exit Full Screen


# Matt Duckworth


Mute


Start Video


Security

1Participants

Chat

Share Screen

Record

Reactions

End

# SCHEDULE

**10:00 am:** [Rep. Neal Dunn, MD \(R-FL\)](#)—Medicare Physician Payment; Physician; House Energy & Commerce committee member

**10:30 am:** [Rep. Mike Johnson \(R-LA-4\)](#)—Dr. Broadwell's rep

**11:00 am:** [Rep. Steve Womack \(R-AR-3\)](#)—Dr. Saitta's rep, Appropriations Committee member

**11:45 am:** [Rep. Suzane DelBene \(D-WA-1\)](#)—Improving Seniors' Timely Access to Care Act- sponsor; House Ways & Means committee member

**1:00 pm:** [Rep. Diana Harshbarger \(R-TN-1\)](#) – PharmaD, PBMs

**1:30 pm:** [Rep. Don Young \(R-AK-1\)](#)—Dr. Doaty's rep

**2:00 pm:** [Rep. Buddy Carter \(R-GA-1\)](#)—House Energy & Commerce Committee member, PBMs

**2:30 pm:** [Sen. Roger Marshall, MD \(R-KS\)](#) -- Senate HELP Committee member, physician, champion of Improving Seniors' Timely Access to Care Act

**4:00 pm:** [Rep. Larry Bucshon, MD \(R-IN-8\)](#)—co-sponsor of Improving Seniors' Timely Access to Care Act; physician; House Energy & Commerce Committee member

**4:30 pm:** [Sen. John Boozman, OD \(R-AR\)](#)—Medicare Physician Payment; Appropriations Committee member

CSRO Virtual Advocacy Day • Meeting • Calendar • evalanos@hhs.com

**Attendee Meeting** Format Text

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Subject: CSRO Virtual Advocacy Day  
 Location: <https://us06web.zoom.us/j/88132035268?pwd=ajdRY0hYaGwxVIZ0K0FWdFZ4SWNmUT09>  
 Organizer: Anne Marie Moss <amoss@csro.info>  
 Duration: 7 hours ☐ All day event  
 Starts: 7/27/2021 10:00 AM  
 Ends: 7/27/2021 5:00 PM

Accepted on 7/22/21, 9:04 AM.  
 This meeting has been adjusted to reflect your current time zone. It was initially created in the following time zone: (UTC-06:00) Central Time (US & Canada).

Please note – this list has been updated, as new meetings were recently confirmed, and *some meeting times have changed* since the initial calendar invite was sent (all times in Eastern):

10:00 am: **Rep. Neal Dunn, MD (R-FL)**— Medicare Physician Payment; Physician; House Energy & Commerce committee member  
 10:30 am: **Rep. Mike Johnson (R-LA-4)**  
 11:00 am: **Rep. Steve Womack (R-AR)** -- Appropriations Committee member  
 11:45 am: **Rep. Suzane DelBene (D-WA-1)**—Improving Seniors' Timely Access to Care Act- sponsor; House Ways & Means committee member  
 1:00 pm: **Rep. Diana Harshbarger (R-TN-1)** – PharmaD, PBMs  
 1:30 pm: **Rep. Don Young (R-AK)**  
 2:00 pm: **Rep. Carter (R-GA)** -- House Energy & Commerce Committee member  
 2:30 pm: **Sen. Roger Marshall, M.D. (R-KS)** -- Senate HELP Committee member, co-sponsor of Improving Seniors' Timely Access to Care Act  
 4:00 pm: **Rep. Larry Bucshon, M.D. (R-IN)** -- co-sponsor of Improving Seniors' Timely Access to Care Act; House Energy & Commerce Committee member  
 4:30 pm: **Sen. John Boozman (R-AR)** -- Appropriations Committee member

Join Zoom Meeting  
<https://us06web.zoom.us/j/88132035268?pwd=ajdRY0hYaGwxVIZ0K0FWdFZ4SWNmUT09>

Meeting ID: 881 3203 5268  
 Passcode: 961760

# QUESTIONS?

# OVERVIEW OF ISSUE BRIEFS

*Coalition of State Rheumatology Organizations (CSRO)  
2021 Virtual Fly-In  
July 27, 2021*

Presented by: Emily Graham & Judith Gorsuch, Hart Health Strategies Inc.

# MEDICARE PAYMENT POLICY

*Coalition of State Rheumatology Organizations (CSRO)  
2021 Virtual Fly-In  
July 27, 2021*

Presented by: Emily Graham, Hart Health Strategies Inc.

# BACKGROUND

## MEDICARE PAYMENT POLICY

### MEDICARE CONVERSION FACTOR

- Changes to the codes for office and outpatient evaluation and management (E/M) services that the Centers for Medicare & Medicaid Services (CMS) implemented as a part of its CY 2021 MPFS final rule increased Medicare spending by approximately \$10.2 billion.
- A statutory budget neutrality rule requiring any increases in Medicare payments to be offset by corresponding decreases resulted in an adjustment to the conversion factor of -10.2%.
- The *Consolidated Appropriations Act, 2021* modified the MPFS final rule by providing a 3.75% increase in MPFS payments for CY 2021, mitigating the negative impact on physicians and reducing the CY 2021 conversion factor by -3.3%.
- This payment provision is set to expire on January 1, 2022.

# BACKGROUND

## MEDICARE PAYMENT POLICY

### SEQUESTRATION

- In April 2021, legislation was signed into law to extend the moratorium on collection of the 2% Medicare sequester through the end of CY 2021.
- Beginning on January 1, 2022, that 2% Medicare payment cut will be reinstated.
- In addition, the Congressional Budget Office (CBO) recently determined that the latest COVID relief package, the *American Rescue Plan*, will trigger the statutory Pay-As-You-Go Act of 2010 and mandate Medicare spending reductions of an estimated 4%, or \$36 billion, next year.
- Therefore, in addition to the 2% sequestration cut, providers will see an additional 4% sequestration cut to Medicare reimbursement rates on January 1, 2022.



# REQUEST

## MEDICARE PAYMENT POLICY

The Coalition of State Rheumatology Organizations (CSRO) urges members of Congress to ***extend financial relief to physicians facing the looming threat of sequestration and Medicare conversion factor reimbursement cuts***. Specifically, we urge Congress to:

- Maintain the 3.75% increase to the conversion factor through at least calendar years 2022 and 2023;
- Extend the moratorium on the 2% Medicare sequester through the end of CY 2023; and,
- Provide relief from the statutory 4% Pay-As-You-Go Act of 2010 (PAYGO) sequester, expected to impact Medicare physicians starting in January 2022.

# REQUEST

## MEDICARE PAYMENT POLICY

We appreciate that Congress provided a temporary increase to mitigate reimbursement cuts resulting from a budget neutrality adjustment to the calendar year (CY) 2021 Medicare Physician Fee Schedule (MPFS) conversion factor and acted to temporarily suspend the 2% Medicare sequestration cuts through December 2021.

However, without further congressional action, Medicare physicians face a cumulative reimbursement cut of as much as 9% in addition to the other budget neutrality reductions that have been proposed for the CY 2022 MPFS conversion factor.

**CSRO urges Congress to intervene to prevent the reductions in Medicare physician reimbursement that will become effective on January 1, 2022 and preserve Medicare beneficiaries' timely access to rheumatologic care. We stand ready to work with you to extend critical financial relief to providers and to delay cuts to Medicare reimbursement as the public health emergency continues.**

# UTILIZATION MANAGEMENT

*Coalition of State Rheumatology Organizations (CSRO)  
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Presented by: Judith Gorsuch, Hart Health Strategies Inc.

# BACKGROUND

## UTILIZATION MANAGEMENT

### UTILIZATION MANAGEMENT

- Utilization management has become a serious issue for all patients, including Medicare beneficiaries.
- The [Office of the Inspector General examined](#) denial rates in Medicare Part D for 2017 and found that, in 73% of cases, denials were wholly or partially overturned when appealed. This indicates that insurers are leveraging initial denials as a way to delay paying for medically needed care.
- Additionally, 88% of insurer contracts audited by the Centers for Medicare and Medicaid Services (CMS) in 2017 were cited by the agency for at least one violation resulting in inappropriate rejections – and the most common violation consisted of plans imposing utilization management requirements that were not approved by CMS.

# BACKGROUND

## UTILIZATION MANAGEMENT

### PRIOR AUTHORIZATION

- Rheumatoid arthritis medications are subject to some of the most intensive utilization management requirements in healthcare, including prior authorization (PA) and step therapy. While rational, clinically driven utilization management can help control costs, unfortunately utilization management in its current form is neither rational nor clinically driven, and the requirements differ greatly from insurer to insurer.
- This has serious consequences for patients. A [recent study on prior authorization in rheumatology](#) found that 71% of the studied patients required PA to begin their infused medications. Remarkably, 96% of all PAs – including ones initially denied – were ultimately approved, again indicating that PA serves more as a delay tactic than a meaningful “double-check” on clinical need.
- The bipartisan ***Improving Seniors Timely Access to Care Act (H.R. 3173)*** would institute much-needed protections for patients by establishing an electronic PA process in Medicare Advantage, creating transparency around the processes used by insurers, ensuring that plans adhere to evidence-based medical guidelines and that requests are reviewed by qualified medical personnel, and minimizing the use of PA for routinely approved services.

# BACKGROUND

## UTILIZATION MANAGEMENT

### STEP THERAPY

- Step therapy requires a patient to try and fail one or more specific medication(s) preferred by the insurer before the patient can advance to the medication their treating clinician prescribed. Rheumatoid arthritis patients who switch insurance plans often have to “step through” medications they have already tried and failed in the past.
- Additionally, year-over-year formulary changes may result in stable patients having to switch medications, a practice called “nonmedical switching.” Since RA is a progressive disease, this results in irrecoverable damage to the joints. A [recent paper](#) by the American College of Physicians found that 40% of patients stopped treatment as a result of nonmedical switching. The paper also noted that, “In a study of rheumatology patients who tried a nonpreferred drug in the formulary, 11% never obtained treatment.”
- The bipartisan ***Safe Step Act (S. 464/H.R. 2163)*** requires employer sponsored plans to establish a clear, convenient, and readily available process to request step therapy exceptions, and establishes a timeline for appeals. The legislation also codifies exceptions to step therapy in five specific circumstances, including for stable patients and in situations where the treatment required by the step therapy protocol is contraindicated or expected to be ineffective for the patient.

# REQUEST UTILIZATION MANAGEMENT

The Coalition of State Rheumatology Organizations (CSRO) urges members of Congress ***to protect patients by enacting commonsense guardrails around utilization management.***

Specifically, *we urge you to cosponsor:*

- *Improving Seniors Timely Access to Care Act* (H.R. 3173), which would make a number of improvements to prior authorization in Medicare Advantage, including for medical benefit drugs.
- *Safe Step Act* (S. 464/H.R. 2163), which would establish a clear, transparent, and streamlined appeals process for step therapy protocols in employer-sponsored plans.

# PATIENT ACCESS TO PRESCRIPTION DRUGS

*Coalition of State Rheumatology Organizations (CSRO)  
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Presented by: Judith Gorsuch, Hart Health Strategies Inc.



# BACKGROUND

## PATIENT ACCESS TO PRESCRIPTION DRUGS

Practicing rheumatologists are keenly aware of the financial burdens on patients posed by rising out-of-pocket costs for medications.

Given that most beneficiaries have Medicare Part B wraparound coverage, the drugs covered by Part B provide a more accessible option for patients who cannot afford the large out-of-pocket cost exposures of Part D. Yet many of the proposed reforms for Part B in recent years would significantly reduce patient access to the more accessible option of Part B, while leaving intact the large out-of-pocket burdens of Part D.

Additionally, these proposed reforms would have reduced access to the most efficient delivery setting in Part B by cutting physician reimbursement for administering these drugs. Currently, there are three settings where patients may receive Part B drugs: a hospital outpatient department, their physician's office, or, for some medications, their home. Reductions to reimbursement for drug administration hit office-based infusion the hardest, because specialty practices – particularly those in underserved and rural areas – do not have the margins to absorb these cuts.

# BACKGROUND

## PATIENT ACCESS TO PRESCRIPTION DRUGS

Despite this, all three Part B drug payment reform models proposed since 2016 would have reduced access to medication administration in the physician's office, which would have been detrimental for patients in need of these medications. Infusible medicines generally treat debilitating diseases, such as rheumatoid arthritis, where even a few weeks of delay can result in severe pain and irreversible joint damage.

The loss of access for patients was explicitly acknowledged by the agency in the [most recent reform proposal](#), when it stated that a portion of the projected savings was “attributable to beneficiaries not accessing their drugs through the Medicare benefit, along with the associated lost utilization.” In other words, a portion of the estimated savings were not the result of reduced prices, but of reduced spending due to denial of access. Thankfully, none of these models were ultimately implemented due to stakeholder concern and, most recently, a court order.

**A better approach is to focus on capturing the potential savings from ensuring that beneficiaries utilize the most cost-effective setting to receive their Part B medications.** These savings could be significant: a recent Employee Benefit Research Institute [Issue Brief](#) found that employers and their employees could save as much as 36%, depending on the medication, just from eliminating the differentials between sites of administration for non-oncology specialty drugs. Rather than enacting reimbursement reductions that would do nothing to reduce the price of medications and that, furthermore, would result in physician's offices being unable to continue offering infusion services, Congress must focus on reforms that will maximize use of the most cost-effective setting for administration of these medications.

# REQUEST

## PATIENT ACCESS TO PRESCRIPTION DRUGS

The Coalition of State Rheumatology Organizations (CSRO) urges members of Congress ***to protect access to Part B medications by rejecting further cuts to provider reimbursement for administering these medications, and instead pursue proposals to maximize access to the most cost-effective setting for medical benefit drug administration: the physician's office.***

# QUESTIONS?