This Week’s Dose

Congress made significant headway in closing out the year’s final legislative priorities, passing a bill to reduce looming Medicare provider payment cuts and allowing for a simple majority vote to increase the debt limit.

Congress

Congress Passes Legislation Averting Medicare Payment Cuts.
This week, the House and Senate passed the "Protecting Medicare and American Farmers from Sequester Cuts Act" that includes relief from upcoming Medicare cuts, among other things. The bill would partially mitigate the scheduled 3.75% cut to the Medicare Physician Conversion Factor (CF) and both the Medicare Sequestration (2%) and PAYGO (4%) cuts. Specifically, the legislation would phase in cuts to the Medicare sequester at a rate of 0% for the first quarter of 2022, -1% for the second quarter of 2022 and return the cut to the full amount of -2% beginning in June of 2022 and continuing onward. The legislation would also eliminate 3% of the CF cuts, resulting in a - .75% cut for the entirety of 2022. Finally, the bill would subtract budget scorecard deficits for both the 5-year and 10-year windows from FY 2022 and add them to FY 2023, effectively pushing the implementation of a PAYGO sequester to 2023.

Additionally, the bill provides a one-year delay in scheduled cuts to payments for clinical laboratory service and a one-year delay in scheduled lab service reimbursement reporting requirements under the Protecting Access to Medicare Act of 2014. It also delays implementation of the mandatory Medicare radiation oncology model payment model for one year (through December 31, 2022) in response to stakeholder requests that more time was needed to prepare for the model.

The bill included procedural language, which provided a means for the Senate to pass debt limit relief on a simple majority basis. Fourteen Republicans joined Senate Democrats in voting for the measure. The House passed the bill earlier in the week along partisan lines, with only Rep. Adam Kinzinger (R-IL) joining Democrats in supporting the bill. President Biden is expected to sign the bill this upcoming week.

The Senate is expected to vote by Monday to increase the debt limit and will send the measure back to the House for its quick consideration. If all goes as planned in Congress, the bill is expected to reach the President’s desk for signature before the deadline of December 15th, when Treasury Secretary Yellen projects the US would lose borrowing authority and potentially default on outstanding debt. The debt limit is one of the last remaining pieces of “must-pass” legislation for Congress this year, with the National Defense Authorization Act (NDAA) still outstanding. While it is unlikely that the Senate will take up the Build Back Better (BBB) Act prior to the holiday recess, they technically could if recommendations from the Senate Parliamentarian are completed.

**Administration**

**CMS Begins Work on MVPs.**

This week, the Centers for Medicare & Medicaid Services (CMS) hosted a webinar on the Merit-based Incentive Payment System (MIPS) Value Pathways (MVPs) framework. Beginning in CY 2023, CMS is establishing MVPs as an initially voluntary participation option to motivate clinicians to move away from reporting on self-selected activities and measures (i.e. MIPS) and towards an aligned set of measure options, designed to be meaningful to patient care and more relevant to a clinician’s scope of practice. The agency has outlined seven MVPs for the 2023 performance year to align with the following clinical areas: rheumatology, heart disease, stroke
care and prevention, lower extremity joint repair, anesthesia, emergency medicine, and chronic disease management. CMS will be using the next 12 months to flesh out the participation requirements as well as work with stakeholders to expand MVP options for future years.

**Quick Hits**

- The American Hospital Association (AHA) and American Medical Association (AMA), joined by hospital and physician plaintiffs, [filed a lawsuit](#) challenging certain aspects of the surprise billing regulations implementing the No Surprises Act.

- [CMS announced](#) this week that it will delay enforcement on insurer data-sharing regulations because the requirements are not yet functional for the affected insurance plans. Administrator Chiquita Brooks-LaSure noted that the COVID-19 pandemic has created operational challenges that need to be addressed before moving forward.

- The [Senate passed a resolution](#) this week rejecting the Biden Administration’s vaccine mandate for private businesses. The resolution received two votes from Democratic Senators Joe Manchin, III (D-WV) and John Tester (D-MT). The measure now proceeds to the House for consideration, where it will likely be voted down by the Democratic majority.

- This week, the House Energy and Commerce Subcommittee on Health held a hearing entitled “The Future of Biomedicine: Translating Biomedical Research into Personalized Health.” The hearing examined the current state of biomedicine and explored the future of biomedical innovation. Committee members emphasized the importance of enhancing the future of biomedicine through consistent innovation, enhanced funding, and equitable data sharing and touched on the necessity of affordable access to innovative medicines and treatments.

- On December 8, the Center for Medicare & Medicaid Innovation (CMMI) held a roundtable to examine the Center’s strategy to advance health equity. The session served as a forum for various stakeholders to offer their unique perspectives on issues related to health equity and provide solutions to achieve equitable and affordable health outcomes.

**Next Week’s Diagnosis**

Negotiations continue among Senate Democrats on BBB as they await the Senate Parliamentarian’s ruling on which provisions will comply with the Byrd Rule, which forbids the addition of ancillary policy items without budget impact from being added to reconciliation bills. Congress still needs to address the National Defense Authorization Act (NDAA) before the end of the year and vote formally on increasing the debt limit, which is predicted to be reached by December 15th.

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