

# CSRO

COALITION OF STATE RHEUMATOLOGY ORGANIZATIONS

## Town Hall

**Federal & State Advocacy Update**

*November 20, 2024*

# Presentation Overview

- Political Update
- Federal Legislative Update
- Federal Regulatory Update
- State Legislative Update

# Political Update

Matt Duckworth  
Vice President, Government Relations  
Hart Health Strategies Inc.

# The New Washington



# Federal Legislative Update

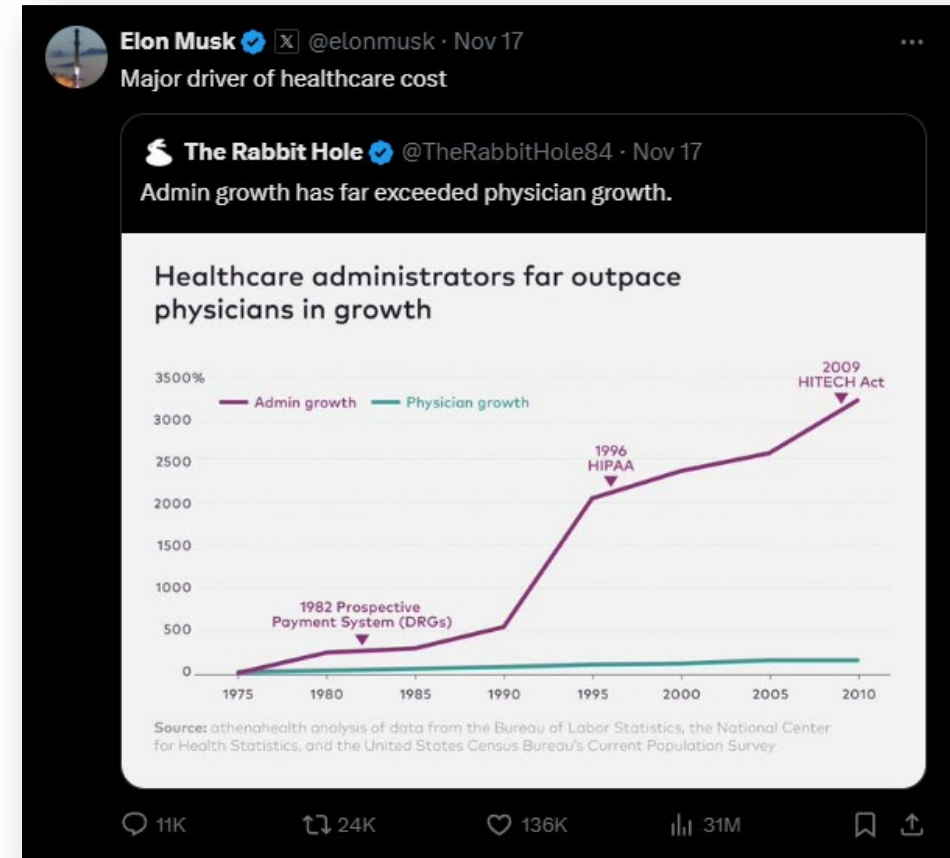
Jessica Frasco

Vice President, Federal & State Drugs and Biologics Policy

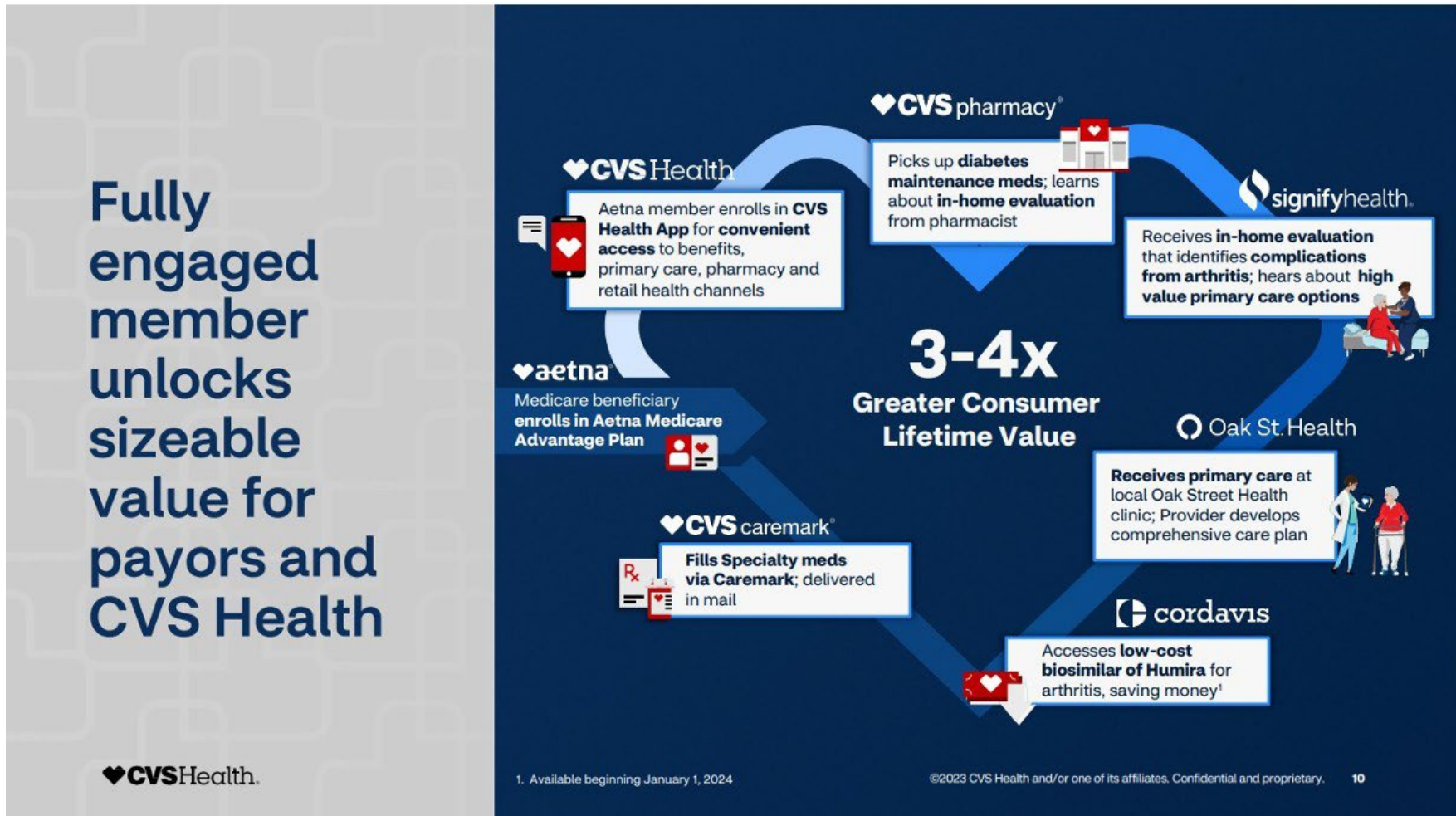
Hart Health Strategies Inc.

# Medicare Physician Fee Schedule

- Bipartisan support to address cuts to the Physician Fee Schedule
  - When?
  - By how much?
- **Short Term:** Address the impending cut
  - Medicare Patient Access and Practice Stabilization Act of 2024 (H.R.10073)
- **Long Term:** Stop annual cuts
  - Physician Fee Stabilization Act (S.4935)
  - Strengthening Medicare for Patients and Providers Act (H.R.2474)
  - Provider Reimbursement Stability Act (H.R.6371)
  - Physician Fee Schedule Update and Improvements Act (H.R. 6545)



# Pharmacy Benefit Manager (PBM) Abuses



# PBM Reform

- CSRO's main PBM principles:
  - Delink PBM Compensation from Drug Prices
  - Pass Manufacturer Rebates Directly onto Patients
- Several bills have advanced by congressional committee in the 118<sup>th</sup>
  - Modernizing and Ensuring PBM Accountability Act (S.2973, Section 2), as reported out of Senate Finance
  - Accelerating Kids' Access to Care Act (H.R.4758, Section 3), as passed by the House
  - Protecting Patients Against PBM Abuses Act (H.R.2880, Section 2), as marked up in House Energy & Commerce
  - Delinking Revenue from Unfair Gouging (DRUG) Act (S.1542/H.R.6283), as reported out of House Oversight and Accountability Committee
  - Better Mental Health Care, Lower-Cost Drugs, and Extenders Act (S.3430, Section 203), as reported out of Senate Finance
  - Share the Savings with Seniors Act (S.2474/H.R.5376)



# Prior Authorization Reform – MA Plans

- Improving Seniors' Timely Access to Care Act (S.4532/H.R.8702)
  - Senate cosponsors: 54
  - House cosponsors: 228
- About the bill:
  - Create uniform electronic PA standards to streamline MA approvals
  - Limit time the plan can review PA request
  - Improve transparency
  - Encourage MA plans to adopt policies that adhere to evidence-based guidelines



# Federal Regulatory Update

Emily Graham, MSHIM, RHIA, CCS-P  
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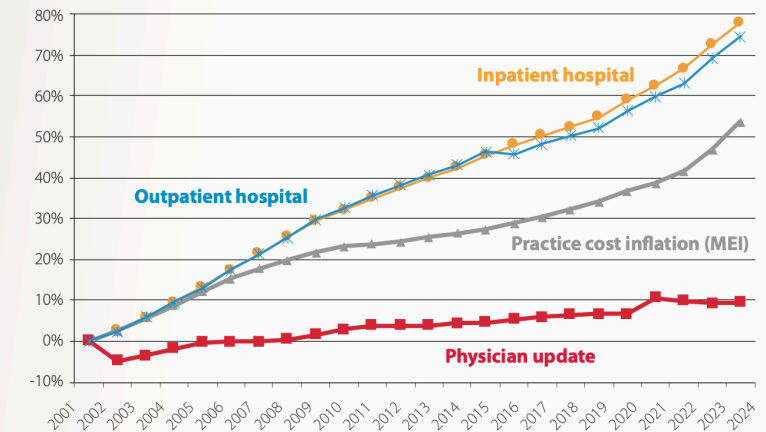
# Medicare Physician Payment

- Medicare physician payments slated to **drop by 2.83%**, resulting in a conversion factor of **\$32.3465** starting on January 1, 2025
- Congress is considering legislation to address the CY 2025 cut and provide a modest update to address rising inflation
- Other challenges in Medicare Physician Fee Schedule (PFS) payments are under consideration as part of recent legislative efforts, including:
  - Inclusion of an inflation adjustor (i.e., MEI)
  - Revision to budget neutrality requirements
  - Requirement to update key data inputs (e.g., practice expense data)

**Medicare physician payment is NOT keeping up with practice cost inflation.**

**Medicare updates compared to inflation in practice costs (2001–2024)**

Adjusted for inflation in practice costs, Medicare physician payment **declined 29%** from 2001 to 2024.

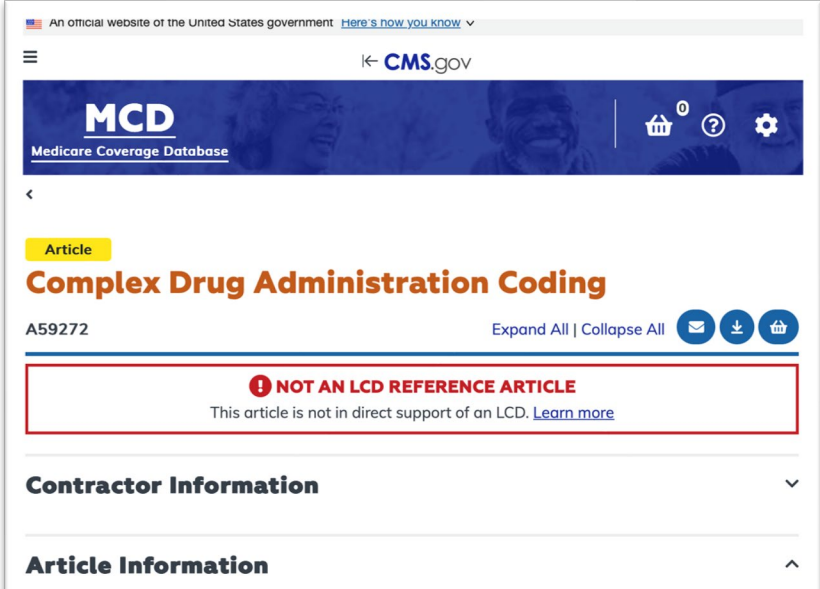


Sources: Federal Register, Medicare Trustees' Reports, Bureau of Labor Statistics, Congressional Budget Office.  
Note: Updates from the Consolidated Appropriations Act of 2024 have been incorporated.

Updated May 2024

# Down Coding

- MACs previously issued “billing and coding” articles that directed practices to use “therapeutic” admin codes when infusing/injecting several rheumatology drugs rather than “complex” admin codes
- CSRO argued this was inconsistent with:
  - Statute: *Medicare Prescription Drug and Modernization Act of 2003*
  - CMS’ long-established payment policies
  - AMA coding guidance
- CMS action:
  - Technical Direction Letter (TDL)
  - Program Transmittal
  - Request for Information
  - Finalized policy to update criteria outlined in CMS’ Internet Only Manual (IOM)
- All MAC policies have been retired; new policies could emerge based on new criteria in the IOM



The screenshot shows the Medicare Coverage Database (MCD) interface. At the top, it says "An official website of the United States government" and "CMS.gov". The main header is "MCD Medicare Coverage Database". Below that, the article title "Complex Drug Administration Coding" is displayed in orange. The article ID "A59272" is shown on the left, and "Expand All | Collapse All" with icons for email, download, and print are on the right. A prominent red-bordered box contains a warning: "NOT AN LCD REFERENCE ARTICLE" and "This article is not in direct support of an LCD. Learn more". Below the warning, there are sections for "Contractor Information" and "Article Information", both with expand/collapse arrows.

**SEC. 304. EXTENSION OF APPLICATION OF PAYMENT REFORM FOR COVERED OUTPATIENT DRUGS AND BIOLOGICALS TO OTHER PHYSICIAN SPECIALTIES.**

Notwithstanding section 303(j), the amendments made by section 303 shall also apply to payments for drugs or biologicals and drug administration services furnished by physicians in specialties other than the specialties of hematology, hematology/oncology, and medical oncology.

# Self Administered Drug (SAD) Exclusion List (“SAD List”)

- Drugs on the SAD List are *excluded* from Medicare Part B; beneficiary is liable for full cost of these drugs, regardless of disability, etc.
- SAD List policy stems from CMS’ interpretation of the “*not usually self-administered by the patient*”
- CSRO argued the SAD List:
  - Uses incomplete data; results in flawed analysis
  - Violates HHS’ nondiscrimination regulations
- CMS action:
  - Request for Information
- CSRO request to HHS/CMS:
  - Remove dual formulation drugs from the SAD List; postpone including additional dual formulation drugs
  - Establish inclusion criteria that account for clinical, other factors
  - Address data issues, improve transparency

The screenshot shows the CMS.gov Medicare Coverage Database (MCD) website. The page title is "Self-Administered Drug Exclusion List Article" and the article ID is "A52800". The article title is "Self-Administered Drug Exclusion List: (SAD List)". A red box with a warning icon and text states: "NOT AN LCD REFERENCE ARTICLE. This article is not in direct support of an LCD. Learn more". The page also includes a "Contractor Information" section and an "Article Information" section.

# “Underwater” Biosimilars

- Joint coalition of patient and provider organizations led by CSRO/ACR has been working to address challenges facing infusion providers with “underwater” biosimilars
- Multi-pronged approach:
  - Agency
    - Letters to CMS leadership
    - Meetings with CMS’ Deputy Administrator, White House Office of Management and Budget (OMB)
  - Congressional
    - Letter to Congressional Leaders
    - Meetings with Congressional offices, Medicare Payment Advisory Commission (MedPAC)
  - CMS acknowledged concerns in recent CY 2025 PFS final rule; ramp up legislative efforts in the new Congress



# Other PFS Topics: Payment Provisions

- **Complex Add-on Code G2211**
  - CMS finalized an **exception to the Modifier ~25 billing prohibition for G2211** “to allow payment of the O/O E/M visit complexity add-on code when the O/O E/M base code reported by the same practitioner on the same day as an AWW, vaccine administration, or any Medicare Part B preventive service furnished in the office or outpatient setting.” CMS confirmed that this policy includes the “Welcome to Medicare” visit.
  - CMS may consider expanding use of G2211 to services other than office and outpatient E/Ms where the practitioner is the “continuing focal point.”
- **Telehealth**
  - Through 2025, CMS will **continue to permit practitioners to use their currently enrolled practice location instead of their home address** when providing telehealth services from their home.
  - CMS will **allow for direct supervision via virtual presence using audio/video real-time communications technology on a permanent basis for a subset of “incident to” services** when:
    - (1) the service is provided by auxiliary personnel employed by the billing practitioner and working under their direct supervision, and for which the underlying HCPCS code has been assigned a PC/TC indicator of ‘5’; or
    - (2) the service is an office or other outpatient E/M visit for an established patient that may not require the presence of a physician or other qualified healthcare practitioner (i.e., CPT 99211).
  - For all other services, CMS finalized its proposal to continue to allow for direct supervision via virtual presence using real-time audio and visual interactive telecommunications technology through 2025.

# Other PFS Topics: Quality Provisions

- **MIPS Cost Measures.**
  - CMS finalized the Rheumatoid Arthritis (RA) Cost Measure for implementation in the Merit-based Incentive Payment System (MIPS) starting in 2025.
  - CMS rebuffed the concerns raised by CSRO and other commenters.
  - **CSRO strongly urges rheumatology practices to become familiar with the [RA cost measure specifications](#) to avoid scoring poorly on this measure in the cost category.**
- **Rheumatology Specialty Set.**
  - CMS made substantive changes to 4 of the quality measures in the Rheumatology Specialty Set, including:
    - [RA: Glucocorticoid Management](#)
    - [RA: Functional Status Assessment](#)
    - [RA: Periodic Assessment of Disease Activity](#)
    - [Tuberculosis Screening Prior to First Course of Biologic and/or Immune Response Modifier Therapy](#)
- **Rheumatology MVP**
  - CMS finalized modifications to the existing [Advancing Rheumatology Patient Care MIPS Value Pathway \(MVP\)](#).



# State Legislative Update

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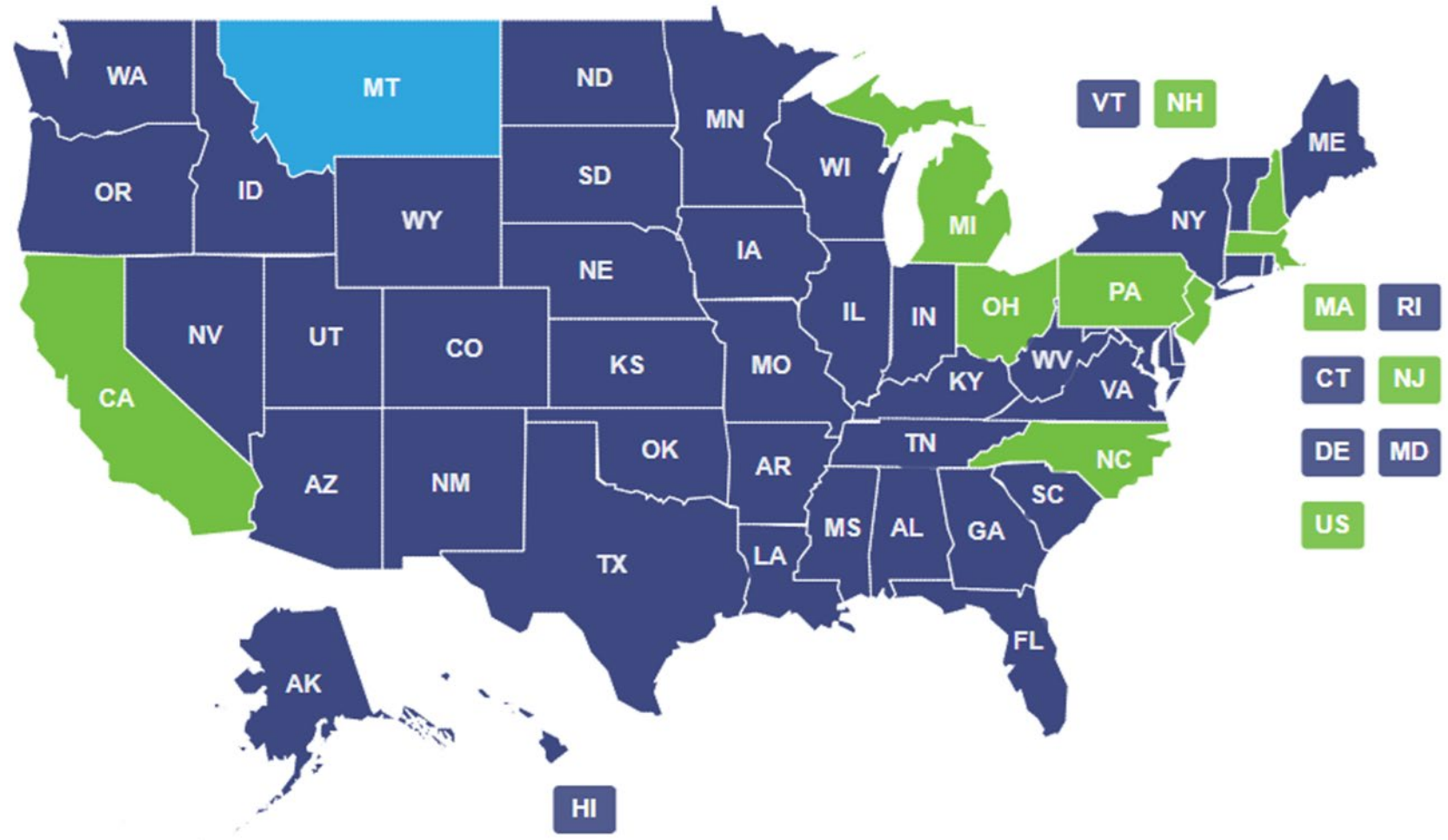
# Priority Issues for 2025

- Prescription Drug Affordability Boards (PDABs)
- 340B
- Accumulators, Maximizers, and Alternative Funding Programs
- PBM Reform
- Specialty Pharmacy Mandates
- Biomarkers
- Utilization Management
  - Step Therapy
  - Non-medical switching
  - Prior Authorization
    - Gold Cards

# New Laws to Know

- **Colorado** – Gold Card HB1149 (January 1, 2026)
- **Iowa** –
  - Non-Medical Switching HF 626 (January 1, 2025)
  - Biomarker Coverage HF 2668 (July 1, 2024)
- **Indiana** – Biomarker Testing SB 273 (July 1, 2024)
- **Kentucky** – White Bagging HB 190/SB 188 (January 1, 2025)
- **New Mexico** – Step Therapy SB 135 (January 1, 2025)
- **Oregon** – Accumulator Ban HB 4113 (January 1, 2025)
- **Rhode Island** – White Bagging S 2096 (January 1, 2025)
- **Vermont** – PDAB S 98 (July 1, 2024)
- **Wyoming** – Step Therapy/Gold Card HB 14 (January 1, 2025 & January 1, 2026)

# We need your help in 2025!



# How can you help?

- CSRO Action Center
- Committee Testimony
- Op-eds
- Capitol Day

The screenshot shows the CSRO website's navigation menu with 'ADVOCACY' selected. Below the menu, the 'Action Center' page is displayed. It features a header with the title 'Action Center' and a sub-header 'Welcome to the CSRO Action Center'. A paragraph of text explains the purpose of the page: 'With so many concerns to track, legislators rely on you to raise the profile of pressing issues. This page houses CSRO's engagement platform, which allows you to communicate directly with your legislators. Advocacy is important, but we are also mindful of your time. Our tool allows you to participate in grassroots advocacy with minimal time expenditure.' Below this text are two main content blocks. The first block is titled 'FEDERAL: SUPPORT PBM REFORM' and includes an image of the US Capitol building. The second block is titled 'New Jersey - Coverage for Biomarker Testing' and includes a megaphone icon. To the right of these blocks are two sections: 'View Your Election Center' with a ZIP code input field and a right arrow icon, and 'Sign Up for Alerts' with an 'Enter Email' input field and a ZIP code input field with a right arrow icon.

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