National Rural Health Association

National Policy Update

KRHA Annual Conference

Alexa McKinley Regulatory Affairs Manager

November 16, 2023

Happy National Rural Health Day!

- Since 2011, the National Organization of State Offices of Rural Health (NOSORH) has set aside the third Thursday of November to celebrate the "Power of Rural" on National Rural Health Day.

 Rural champions in the House and Senate are introducing resolutions to declare today National Rural Health Day.

 Social Media use
- Social Media use #PowerOfRural and #NationalRuralHealthDay.



What We Fight for on Behalf of Rural

- Investing in a Strong Rural Health Safety Net
- Reducing Rural Healthcare Workforce Shortages
- Addressing Rural Declining Life Expectancy and Inequality



Agenda

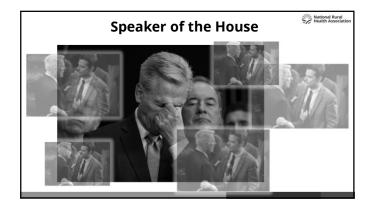
- View from the Hill
- •Rules, Rules, Rules
- •Advocating for Rural Health



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So... where are we?
Setting the Context





What's next?

Key Dates:

- Tomorrow 11/17 Continuing resolution (C.R.) and current government funding expires.
- December 31 Farm Bill funding expires.
 - Congress needs to pass an extension of programs and funding.
 - Might see draft text of Farm Bill package in spring 2024.
- Early 2024 or Spring Congress must pass all 12 appropriations bills.
 - Likely will also address other critical expiring provisions.

NRHA four voice. Louder.		





- Officially relaunched in September!
- Co-chaired by Reps. Tokuda (D-HI) and Harshbarger (R-TN).
- 45 bipartisan members and growing.
- Working on briefing and event schedule for upcoming year.



FY 2024 Appropriations Requests

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	FY 2023 Enacted	President's Budget	NRHA Request	HAC FY 2024 Bill	SAC FY 2024 Bill
CDC Office of Rural Health	\$5 million	-	\$10 million	\$5 million	-
Financial & Community Sustainability for At-Risk Hospital Program	New request	\$10 million	\$10 million	\$10 million	-
Rural Hospital Stabilization Pilot Program	New request	\$20 million	\$20 million	\$20 million	-
Rural Residency Planning & Development	\$12.5 million	\$12.7 million	\$14.5 million	\$12.7 million	\$12.5 million
Rural Hospital Flexibility Grants	\$64.3 million	\$64.3 million	\$73 million	\$74.3 million	\$64.3 million
State Offices of Rural Health	\$12.5 million	\$12.5 million	\$18 million	\$12.5 million	\$12.5 million
Rural Communities Opioid Response	\$145 million	\$165 million	\$165 million	\$145 million	-

NRHA **Bipartisan Primary Care and Health Workforce Act**

Senators Sanders (I-VT) and Marshall (R-KS) introduced in September. Passed out of HELP Committee (14-7) with hospital price transparency provisions. Future of legislation unclear.

- funding cliff:
 - National Health Service Corps \$950 million/year through FY26.

 - Teaching Health Center GME \$300 million/year through FY28.
 Community Health Center fund \$5.8 billion/year through FY 26.
- Planning and Development Program through FY26.
 - \$13 million in FY24
 - \$13.5 million in FY25
 - \$14 million in FY26

Bipartisan Primary Care and Health Workforce Act

- · Several new investments -
 - \$300 million to increase medical school class size
 - Nurse Education Practice, Quality, and Retention Program: \$240 million through FY28 for community colleges, state universities to grow RN programs.
 - Health Care Workforce Innovation: RHCs/CHCs for community-driven models to train allied health professionals; pathways for allied health career paths.
- Reducing costs for patients
 - Bans anticompetitive terms in facility and insurance contracts
 - · Requires separate NPI for off-
 - campus HOPD. Bans facility fees for telehealth, behavioral health, and E/M
 - Paid for from Prevention and Public

Health	Fund.		

Lower Costs, More Transparency Act

- Codifies and expands hospital price transparency rules finalized by CMS in 2019.
- Extends **National Health Service Corps** funding through FY 25 at \$350 million/year
- Extends **Teaching Health Center GME** through FY 30 at \$175 million in FY 24, increasing to \$300 million in FYs 2028, 2029, and
- Extends community health center funding through FY 2 at \$4.4
- Eliminates Medicaid disproportionate share cuts slated for FY 24

Better Mental Health Care, Lower-**Cost Drugs, and Extenders Act** • Provides 1.25% increase to Medicaid physician payment, with a primary care focus. • Delays Medicaid DSH cuts through 2025. • Reduces the costs of some medicines for Medicare enrollees through

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xtends incentive bonuses through 2024 to doctors in an APM under ledicare.	_
xpands mental health care workforce and services under Medicare nd Medicaid, including use of telehealth.	_
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Focus on Rural Health Clinics	
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HC Modernization Policies	-
HC Modernization Policies Worked with the National Association of Rural Health Clinics to support S.	_
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NRHA Year voice Land **Focus on Critical Access Hospitals**

• Necessary Provider Status: S. 1571: Rural Hospital Closure Relief Act, which reinstates Necessary Provider status with guardrails.

· Flexibilities and Waivers

· RHC Modernization Policies

removed last year. RHC Telehealth

Provider-Based RHCs

2021.

- CMS guidance on 96-hour ALOS after PHE: Calculation will resume with CAH's first full cost reporting period after May 11,
- Removing physician certification: H.R. 1565 and H.R. 833.

Medicare Advantage

• Interest on the Hill on addressing reimbursement challenges and claims denials, steering, especially for rural cost-based providers.

NRHA **Other Hospital Bills** • H.R. 833 Save America's Rural Hospital Act: Holistic rural hospital "fix" bill- eliminates sequestration, reverses cuts to bad debt, increase ambulance payments, reauthorizes Flex program. · S803/ H.R. 3635 Save Rural Hospitals Act of 2023: Establishes a national minimum area wage rate under Medicare Area Wage Index for hospital payments to adjust for geographic differences in labor costs. · S1110 Rural Hospital Support Act of 2023: This bill makes permanent low-volume hospital and Medicare-dependent hospital (MDH) designations, and allows sole community hospitals and MDH base year adjustments. Workforce, Workforce • Expand the Medicare Graduate Medical Education (GME) • S. 230/H.R. 83 Rural Physician Workforce Production Act • S. 665 Conrad State 30 and Physician Access Reauthorization Act H.R. 751 Fair Access in Residency Act • Fixing the CAA 1,000 GME reclassification loophole • Support development and capacity of health care providers • H.R. 2761 Reintroduce Improving Care and Access to Nurses Act Support loan repayment programs • S. 940 Rural America Health Corps Act National Rural Health Association **Rural Health Equity**

- Permanently Expand Telehealth Provisions
 - S. 2016/ H.R. 4189 CONNECT for Health Act
- Expand Access to Maternal Health Services
 - S. 1851: Midwives for Moms Act
- · Retain access to medications for opioid use disorder
 - S. XXX/H.R. 5163: TREATS Act
- Expand Access to Emergency Medical Services (EMS)
 - S. 1673/ H.R. 1666 Protecting Access to Ground Ambulance Medical Services Act
- Support Rural Public Health Capacity
 - S. 2799: Authorize CDC Office of Rural Health

340B Reform Policy Principles

- NRHA 340B Reform Policy Principles document
 - · Unlimited and unrestricted use of contract pharmacies.
 - No PBM, payer, manufacturer discrimination.
 - End of orphan drug exclusion for CAHs, SCHs, and RRCs.
 - Maintaining child site access.
 - No more reporting burdens.
 - Codifying HRSA's 1996 patient definition + telehealth.
- · Legislative efforts:
 - Pass H.R. 2534 PROTECT 340B Act.
 - Protect contract pharmacy arrangements.
 - DSH waiver extension letter to <u>Senate</u> and <u>House</u> leadership

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Sent updated Farm Bill requests $\underline{\text{letter}}$ to House and Senate Ag leadership.

NRHA Priority Areas

- Support rural development programs and include hospital capital
- Build rural broadband capacity
- Elevate rural health care
- · End rural food insecurity
- H.R. 5246: National Agricultural Crisis Hotline Act
- <u>H.R. 5989</u>: Rural Health Care Facilities Revitalization Act
- H.R. 4713: Rural Hospital Technical Assistance Act
- <u>S. 1077</u>: Home-Based Telemental Health Care Act
- H.R. 4603: Rural Wellness Act
- S. 1736: Farmers First Act
- <u>S. 1867/H.R. 3922</u>: Expanding Childcare in Rural America Act

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REH 2.0

- Items in consideration with Members of Congress:
 - Inclusion of 340B eligibility
 - Allowance of swing beds to retain access to post-acute care
 - Authorizing psychiatric and rehabilitation distinct part units
 - Allowance of 5% add on to apply to non-OPPS services paid under the Clinical Laboratory Fee Schedule and Physician Fee Schedule services.
 - Hospitals that closed prior to December 27, 2020, should be eligible to convert to an REH.
 - Small, rural hospitals that reduced their bed count to less than 50 beds after December 27, 2020.
 - Hospitals that are designated as rural by their state but did not have an active reclassification under 42 C.F.R. § 412.103 by December 27, 2020.
 - · Ability to revert back to NP CAH status.

Rules, Rules: Regulatory Activities	
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FY 2024 Regulatory Updates

CMS has released final rules for:

- FY 24 Skilled Nursing Facility (SNF)
- CMS.gov • FY 24 Inpatient Prospective Payment System (IPPS)
- FY 24 Outpatient Prospective Payment System (OPPS)
- FY 24 OPPS Remedy for 340B-Acquired Drugs
- FY 24 Physician Fee Schedule (PFS)
- FY 24 Home Health Prospective Payment System
- CY 24 Medicare Advantage Policy & Technical Changes
- Streamlining Medicaid & CHIP Application, Eligibility, **Determination, Enrollment, & Renewal**

FY 2024 Regulatory Updates

CMS.gov

CMS has released NPRMs for:

- Minimum Staffing Standards for LTC Facilities
- **Advancing Interoperability and Improving Prior Authorization**

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Minimum Staffing Standards for LTC Facilities

- <u>Proposed rule</u> released earlier this month. Comments were due Nov. 6.
- NRHA comment.
- 2 main provisions for nursing homes/SNFs:
 - Must have RN on site 24/7.
 - Rural facilities must comply with RN requirement within 3 years.
 - Must meet 0.55 hours per resident day (HPRD) for RNs and 2.45 for nurse aides.
 - Rural facilities must comply with HPRD within 5 years.

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Minimum Staffing Standards for LTC Facilities

- For implementation phase-ins, CMS proposed to use Census' definition of rural: an area with a population of 5,000 or less.
- Hardship exemption for HPRD requirement:
 - 1-year exemption, can be continually renewed.
 - Eligibility depends on location, documenting good faith effort to hire, financial commitment to hiring.

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CY 2024 Physician Fee Schedule

- <u>Final rule</u> released in beginning of November.
- NRHA comment <u>here</u>.
- -3.34% payment cut for physicians.



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CY 2024 Physician Fee Schedule Provisions

- Providers will be paid the higher, non-facility PFS rate for telehealth services furnished to beneficiaries in
- · Extends Medicare flexibilities passed by Congress in December.



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CY 2024 Physician Fee Schedule

- Establishing separate coding and payment for Community Health Integration (CHI) services.
 2 new G codes for CHI services
- CHI services:

 - Performed by certified or trained auxiliary personnel, including Community Health Workers (CHWs),
 Incident to professional services and under general supervision of billing practitioner,

 - Furnished monthly,
 Following an initiating E/M visit.

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CY 2024 Physician Fee Schedule

- Principal illness navigation: Same idea as CHI but for patients with serious, high-risk disease expected to last >3 months.
 - Focusing on social aspects of care rather than clinical.
- New standalone G code for SDOH risk assessment:
 - Billed by practitioner or auxiliary personnel incident to practitioner during E/M visit.
 - Risk assessment means review of SDOH that influence diagnosis/treatment of medical conditions.

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CY 2024 Physician Fee Schedule

- Marriage and family therapists (MFT) and mental health counselors (MHC) may bill Medicare directly beginning in 2024.
 - MFT/MHC: Master or doctorate, licensed at state level, 2 years or 3,000 hours of post-degree clinical work.
- Addiction counselors that meet all requirements to be an MHC may enroll as MHC.
- Payment: 75% of the PFS amount for clinical psychologists.

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CY 2024 Physician Fee Schedule

- MFTs and MHCs can bill Medicare at RHCs and FQHCs.
- Direct supervision includes audio/video tech thru Dec. 2024.
- Behavioral health services under "incident to" provision can be delivered under general supervision.
- CHI and PIN services included in general care mgmt. code.
- Remote physiologic monitoring and remote therapeutic monitoring included in general care management code.
 - Same code used for CCM.



CY24 Medicare Outpatient Prospective Payment System



- <u>Final rule</u> released in early November.
- NRHA comment <u>here</u>.
- 3.1% payment increase for hospitals.

CY24 Medicare Outpatient Prospective Payment System

New hospital price transparency requirements:

- Hospitals must use CMS template for the machinereadable file.
- Clarification on required data elements in MRF.
- New website requirements link to HPT webpage on footer of hospital website, direct link to MRF, source page that hosts the MRF.
- Hospitals must affirm MRF is true, accurate, and complete.

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CY24 Medicare Outpatient Prospective Payment System

- CAA, 2023 created Intensive Outpatient Program benefit under Medicare.
 - Can be furnished at RHCs, CAHs, hospitals, FQHCs
 - Distinct and organized ambulatory treatment program that offers less than 24-hour daily care other than in an individual's home or inpatient/residential setting.
 - Less intensive than PHP.
 - For individuals that require at least 9 hours/week of services.
 - Must be under supervision of physician.

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FY 24 IPPS Final Rule

- 3.1% payment increase for hospitals.
- Rural emergency hospitals treated as nonprovider sites, like CAHs, for GME.
- Can also elect to be paid 100% of reasonable costs.
- Codifying REH application guidance.



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CY 2024 Medicare Advantage Policy & **Technical Changes**

• CY 2024 Medicare Advantage final rule released in April

- Most provisions finalized as proposed, including those on prior authorization:
 - PA may only be used to confirm presence of diagnosis or determine medical necessity
 - $\mbox{ \bullet }$ MA plans must comply with general coverage and benefit conditions in traditional Medicare
 - · Once an item/service is approved as medically necessary, MA plan cannot later revise its necessity determination
 - PA must remain valid for as long as medically necessary to avoid disruptions of care for active courses of treatment

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CY 2024 Medicare Advantage Policy & **Technical Changes**

- · Marketing & advertising:

 - Ads that don't mention a specific plan name are prohibited.
 Prohibited from using Medicare name, CMS logo, products/information issued by government in a misleading way.
 Superlatives prohibited upless.
 - Superlatives prohibited unless MA plan supplies supporting documentation.
 Prohibited from advertising benefits not available in a service area.



CY 2025 Medicare Advantage Policy & **Technical Changes**

- Released November 6, comments due January 5, 2024.
- · Key proposals:
 - New specialty facility type, Outpatient Behavioral Health, added to MA network adequacy requirements.
 - · MA plans would have to alert enrollees of unused supplemental benefits.
 - Payment limits for agents and brokers to minimize adverse incentives for enrolling individuals in MA plans.

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HRSA Notice on 340B Registration

- Health Resources and Services Administration clarified its policy on child site registration post-public health emergency (PHE).
- Registration requirements waived during PHE.
- Now 340B hospitals must:
 Register child site with Office of Pharmacy Affairs in January, or
 - of the bloom of th

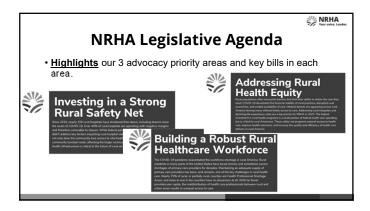
Advocate With Us! NRHA Your voice. Loude

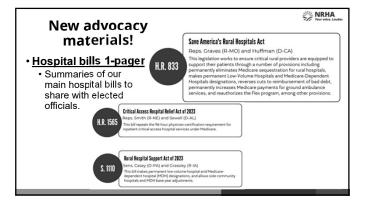
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Five Rules of Advocacy



- Have an ask and explain it
- Talk to the right decision maker
- Know who you are lobbying
- Explain the importance
- Be concise and follow up









New advocacy materials!

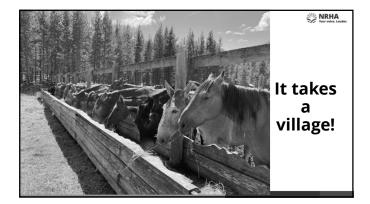
• FY 2024 Appropriations Table & asks

- Use to help advocate for rural investments with your elected officials.
- Talking points to emphasize the importance of rural health programs.

	NRHA FY	President's	HAC FY 2024	SAC FY 2024	FY 2023
Discretionary Funding Program	2024 Request	EY24.Budget	Mark Up	MarkUp	Omnibus
Fed	eval Office of R	ural Health Policy	Programs		
Rural Health Research & Policy Development	12.1	11	TBO	11	11
Rural Health Care Services Outreach, Network & Quality Improvement Grants	90	95.4	TBD	95	86
Rural Hospital Flexibility Grants	73	64.3	74.3	64.3	64.3
State Offices of Rural Health	18	12.5	12.5	12.5	12.5
Rural Maternity & Obstetrics Management Strategies Program(s)	24.6	10.4	190		
Rural Residency Planning & Development	14.5	12.7	12.7	12.5	12.5
Rural Communities Opioid Response	165	165	TBD	155	145
Rural Health Clinic Behavioral Health	10	10	T80	5	N/A
New! Financial and Community isstainability for At-Risk Hospital Program	10	10	- 1	- 7	N/A
New! Rural Hospital Stabilization Pilot Program	20	20			N/A
	Critical NR	SA Sofety Program	ns .		
National Health Service Corps	125.6	176.6	126	135.6	125.6
Area Health Education Centers	67	47	TBD	47	45
3408 Drug Pricing Program/Office of Pharmacy Affairs	17.2	17.2	TBD	12.2	13.2
Telehealth	45.5	45.5	45.1	38	38
Community Health Centers	2b	1.8390	Cell	1.8590	1.8590

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	Key Legislation	
Legislative Tracker	Federal All Categories	
NRHA is tracking rural health legislation in Congress to advance quality of life across rural America.	Hospitals & Health Systems	
NRHA's legislative tracker enables you to view the rural health bills in Congress the association is monitoring, including those we endorse and oppose. Bills are searchable and categorized by topic area. By clicking on a bill, you can find its	H.R. 833: Save America's Rural Hospitals Act 2023-2024 Regular Session (118th)	,
summary, review cosponsors, and stay up to date on congressional actions.	H.R. 1712: Rural Health Innovation Act of 2023 2023-2024 Regular Session (118th)	,
Through activities such as NRHA's annual Rural Health Policy Institute and ongoing grassroots campaigns , NRHA members actively participate in advocacy efforts to advance needed rural health legislation.	H.R. 2423: To affirm that the Farm Credit Administration is the sole and independent regulator of the Farm Credit System, I 2023-2024 Regular	,
For further information or to recommend bills for the legislative tracker, contact NRHA's government affairs team.	Session (118th)	
Find Legislation	H.R. 3635: Save Rural Hospitals Act of 2023 (2023-2024 Regular Session (118th)	,
Federal • Enter Keywords Search	HR 1128: Rural Health Care Access Act of 2023 2023-2024 Regular Session (118th)	
tps://www.ruralhealth.us/advocate/n	HR 1565: Critical Access Hospital Relief Act of 2023 2023-2024 Regular Session (118th)	



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2024 Policy Institute!

- \bullet Join us in D.C. from February 13 15th
 - 13th: Hear from Administration and Congressional speakers.
 - 14th: Head to the Hill to meet with your elected officials.
 - 15th: Attend the Rural Health Disparities Summit.
- Register here, early rate before Jan. 20.
- Hotel reservations <u>here</u>.
- Preliminary agenda and more coming soon!

NRHA Your voice. Lou **Advocacy Campaigns**

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2023 NRHA Advocacy Goodies

• Sign up to receive NRHA's Rural Roundup & NRHA Today.

• Register for NRHA's Monthly Grassroots Call.

• Contact your NRHA Government Affairs Team:

• Email: Carrie Cochran-McClain, Alexa McKinley, Zil Joyce Dixon Romero, Doson Nguyen, Sabrina Ho

• Engage with NRHA Advocacy online!

