



Radiation Oncology Policy Update



September 2021

BY LIBERTY PARTNERS GROUP

CONGRESS ADVANCES \$3.5 TRILLION BUDGET BLUEPRINT

On August 24, the House of Representatives approved a budget resolution that provides the framework for a \$3.5 trillion spending deal in a 220-212 vote. The budget framework is a key step toward enacting President Biden's broader families plan

The Senate also endorsed the \$3.5 trillion budget resolution in a 50-49 party-line vote on August 11. The plan includes major investments in climate initiatives, the expansion of Medicare, and the extension of the child tax credit. Democrats are moving ahead with a budget process called reconciliation to pass the new spending without Republican support.

To view the blueprint, [click here](#).

SENATE PASSES \$1T INFRASTRUCTURE BILL

On August 10, the Senate passed a roughly \$1 trillion bipartisan infrastructure package in a 69-30 vote. The Infrastructure Investment and Jobs Act focuses on investments in roads, railways, bridges, and broadband internet. The package calls for \$550 billion in new spending over five years.

According to a White House fact sheet, the deal also outlines:

- \$110 billion for roads, bridges, and other major projects.
- \$11 billion in transportation safety programs.
- \$39 billion in transit modernization and improved accessibility.
- \$66 billion in rail.

- \$7.5 billion to build a national network of electric vehicle chargers.
- \$73 billion in power infrastructure and clean energy transmission.

To help pay for the bill, the Senate included the reinstatement of a 2 percent sequester payment cut to all Medicare payments to providers starting in 2022. The Congress had previously paused the 2 percent annual cut last year at the start of the pandemic.

To view the Senate's \$1 trillion infrastructure bill, [click here](#).

To view the White House fact sheet, [click here](#).

To view President Biden's remarks on Senate bill passage, [click here](#).

CMS INNOVATION CENTER OUTLINES 10 YEAR VISION ON PAYMENT MODELS

In August, innovation leaders with the Center for Medicare & Medicaid Services (CMS) outlined the Biden administration's vision for the Center for Medicare and Medicaid Innovation's (CMMI's) payment models in an article published in *Health Affairs*.

After reviewing the CMMI's more than 50 models, CMS leaders found major challenges in setting benchmarks to determine cost-saving goals for payment models, and providers find it difficult to accept financial risk without flexibility for caring for certain populations. The outlined

vision includes prioritizing and scaling the 28 payment demonstration models CMMI is currently implementing and broadening models toward providers that serve low-income and diverse populations to promote health equity.

To view the article in *Health Affairs*, [click here](#).

BIDEN ADMINISTRATION INVESTS \$19.18M IN TELEHEALTH GRANTS

On August 18, the Biden-Harris administration announced that 36 academic medical centers and telehealth resource centers, among other virtual health care support organizations, will receive \$19.18 million to strengthen, improve, and innovate telehealth in rural and underserved areas.

The \$19 million telehealth investments will be funded through four programs:

- Telehealth Technology-Enabled Learning Program (TTELP): \$4.28 million awarded to nine health organizations to build sustainable tele-mentoring programs and networks in rural and medically underserved communities.
- Telehealth Resource Centers (TRCs): \$4.55 million awarded to 12 regional and two national TRCs.
- Evidence-Based Direct to Consumer Telehealth Network Program (EB TNP): \$3.85 million awarded to 11 organizations to help health networks increase access to telehealth services and to assess the effectiveness of telehealth care for patients, providers, and payers.
- Telehealth Centers of Excellence (COE) program: \$6.5 million awarded to two organizations to assess telehealth strategies and services to improve health care in rural, medically underserved areas that have high chronic disease prevalence and high poverty rates.

To view the announcement, [click here](#).

TRACKER SHOWS TELEHEALTH UTILIZATION STABILIZED IN MAY 2021

According to FAIR Health's monthly telehealth regional tracker, after 3 months of decline, telehealth utilization stabilized in May 2021.

Findings based on the tracker include:

- Telehealth utilization measured as a percentage of all medical claims rose 2 percent nationally from April to May 2021, increasing from 4.9 percent of medical claim lines in April to 5 percent in May.
- In two of the four US census regions in May 2021, telehealth claim lines rose as a percentage of medical claim lines, just as they did nationally – 5.6 percent in the South and 4.8 percent in the West.
- In the other two regions, there was a decrease of 5.4 percent in the Midwest and 1.7 percent in the Northeast.

To view the telehealth regional tracker, [click here](#).

STUDY FINDS COMBINING VALUE-BASED PAYMENTS CAN DELIVER BETTER RESULTS

According to a study published in *JAMA Health Forum* on August 20, combining accountable care organizations and bundled payments can save more money and deliver better outcomes for patients than bundled payments on their own.

More specifically, the study included 9,850,080 Medicare beneficiaries and found that simultaneous inclusion in both ACOs and bundled payments was associated with lower spending on institutional post-acute care, fewer readmissions for medical episodes, and fewer readmissions only for surgical episodes compared with inclusion in bundled payments alone.

The study specifically recommends that the innovation center revisit how it handles overlap between ACOs and bundled payments, arguing that the existing approach unfairly penalizes ACOs.

To view the study, [click here](#).

STUDY FINDS ACO'S DON'T CUT COSTS

According to a study published in the *Journal of General Internal Medicine*, accountable care organizations (ACOs) don't lower costs and may actually raise them. The study evaluates financial performance data from all four CMS ACO programs from 2005 to 2018 and looked at the net cost to CMS, or gross savings in medical billing minus bonus payments to ACOs.

Overall, the study found that ACOs largely broke even in costs. Based on CMS subtracting bonuses from gross savings, the ACOs either lost or saved a few tenths of a percent.

To view the study, [click here](#).

CMS ANNOUNCES \$1.9B MEDICARE SAVINGS FROM ACO'S

On August 25, CMS announced that ACOs participating in the Medicare Shared Savings Program in 2020 earned performance payments totaling nearly \$2.3 billion while saving Medicare approximately \$1.9 billion. This marks the fourth consecutive year of net savings for Medicare.

In total, 67 percent of Shared Savings Program ACOs shared savings with CMS in PY 2020. Eighty-eight percent of two-sided model ACOs earned shared savings payments, and 55 percent of one-sided model ACOs earned shared savings payments.

To view the announcement, [click here](#).