

CAPITAL UPDATE

News of legislative, regulatory, and other matters of interest to New York's physicians
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MSSNY Fights for Physician Relief from Change Healthcare Debacle

MSSNY staff have participated in numerous meetings with state and federal officials to urge relief for physician practices across New York State that have been adversely impacted by the Change Healthcare ransomware debacle, preventing health care claims from being submitted and paid, and threatening to shutter these practices from being able to deliver patient care. Meetings were held this week with the New York Department of Financial Services (DFS), the US Health & Human Services and Administration and representatives of Optum and United Healthcare.

In response, the DFS has issued the following circular letter Insurance Circular Letter No. 2 (2024): Department of Financial Services (ny.gov) setting forth that certain preauthorization, concurrent, and retrospective review requirements (collectively, "utilization review requirements"), appeal timeframes, reconsideration timeframes, claim submission timeframes, and eligibility verifications should be suspended or tolled when necessary, and that plans and PBMs "should ensure that there are no delays in health care services and that prescription drugs remain accessible to insureds"

Moreover, United Healthcare issued a status update late Thursday <u>Information on the Change Healthcare Cyber Response - UnitedHealth Group</u> noting the following timeframes for various systems to be available for use again:

Timeline to restore functionality to Change Systems

- o Pharmacy- E-prescribing is fully functional, with claim submission and payment transmission available.
- Payment platforms- electronic payments will be connected by March 15th.
- Medical Claims submission- anticipate beginning to restore functionality the week of March 18th.

Expanded funding programs.

- UHC will provide advance funding for provider partners that represents the difference between historical funding levels and levels post-attack.
- o Optum will provide funding to providers who have exhausted connection options and work with a payer that is not providing funding advances.
- Repayment date for all funding programs will be 30 days.

Prior authorization/UM

 Prior authorizations will be suspended for MA and DSNP plans for most outpatient services through March 31st.

On this page, under the heading "Claims", they have also suggested use of an EDI as a claims submission alternative.

MSSNY working together with other physician and hospital advocacy associations are urging the DFS to require health insurers to waive various requirements for prior authorization, eligibility verification and timely submission, as well as advocating for mechanisms for interim payments to keep practices and hospitals afloat until the ransomware attack can be remedied. MSSNY has also been working closely with the American Medical Association on efforts to waive various Medicare claim submission requirements, including MIPS reporting, and to make available interim payments until the problem is resolved. The AMA has maintained a page Change Healthcare cyber outage (ama-assn.org) to provide various updates on efforts to address this crisis.

DFS is asking for a list of physician offices who are having a cash flow crisis due to the Change Healthcare cyber incident for the purposes of helping formulate relief from health insurers. If you use Change Healthcare and your cash flow is in crisis, please provide your office's full name and address along with NPI # to hlopez@mssny.org and we will forward to DFS.

(AUSTER, LOPEZ)

With Assembly and Senate Releasing Budget Proposals, Please Urge Legislature to Reject Adverse Proposals

Next week, the Assembly and Senate will introduce and pass their respective "one-House" Budget proposals to set the stage for 3-way negotiations with the Governor towards negotiating a State Budget by April 1. It is imperative for physicians to urge their legislators to reject the numerous adverse items contained in the FY 2024-25 Executive Budget that will make it even more difficult for patients to maintain access to community-based physician care.

Physicians can use the tools available on MSSNY's Grassroots Action Center (p2a.co) to aid physicians in speaking out on these proposals. Please also plan to come to Albany for MSSNY's Physician Advocacy Day (Flyer) this Tuesday, March 12 (Registration) to hear from key healthcare policy leaders and to meet with your Senators and Assemblymembers in person.

While MSSNY has noted to legislators some positive items in the Governor's Executive Budget, these beneficial provisions are significantly outweighed by numerous other problematic initiatives that would harm patient access to care by limiting available physicians to deliver care. These include:

Opposing CPH Elimination. Opposing a proposal in Part L of the HMH Art. 7 Budget bill to repeal authorization for the MSSNY's Committee for Physicians Health (CPH) program. CPH-Repeal-Oppose(mssny.org). CPH has for over 40 years provided needed treatment services for thousands of physicians facing behavioral health or addiction issues. CPH is not funded out of the General Fund but through a \$30 set-aside through the physicians' biennial registration fee that results in an annual appropriation to CPH of \$990,000.

Please send a letter to your legislators here to preserve the essential services provided by the CPH program: Restore Funding for CPH Program (p2a.co)

 Opposing Huge Cost Imposition for Excess Medical Malpractice Insurance Coverage. Opposing a proposal in Part K of the Art. 7 HMH Budget bill that would impose huge new costs on the nearly 16,000 physicians enrolled in the Excess Medical Malpractice Insurance program, by requiring physicians to pay 50% of the coverage cost Excess Change

Oppose (mssny.org). This is a nearly \$40 million hit to community-based physicians across the state who already pay among the highest medical liability insurance costs in the nation.

Please send a letter to your legislators here to oppose this unfair cost imposition: Reject Cost-Share for Excess Insurance Program (p2a.co)

• Opposing Repeal of Physicians' Right to Appeal Claim Underpayments. Opposing a proposal in Part H of the Art. 7 HMH Budget bill that would repeal the ability of physicians to bring claim disputes with Medicaid Managed Care plans to the Independent Dispute resolution (IDR) process IDR-Repeal-Oppose (mssny.org). This change, which would overturn a recent action by DFS to permit the appeal of these claims through IDR, will lead to steep health insurer payment cuts and network reductions, and discourage many physician specialists from providing essential on-call emergency department care.

Please urge that these changes be rejected: Retain Right to IDR (p2a.co)

 Protect Physician-Led Team Care. Opposing a series of scope expansion proposals in Part Q of the Art. 7 HMH Budget bill to permit Physicians Assistants (PAs) to practice without any physician supervision or collaboration after 8,000 clinical hours if they practice in primary care or are employed by a hospital; Permitting dentists to perform screening tests for HIV, Hepatitis and Diabetes; and authorizing pharmacists dispensing PrEP on a nonpatient specific prescription basis. Protect Physician-Led Team Care (mssny.org)

Please send a letter to your legislators urging them to <u>Preserve Physician-led, Team-based Healthcare (p2a.co)</u>

• **Protecting Patient Access to Needed Medications and Treatments.** Opposing proposals in Part I of the Art. 7 HMH Budget bill that would increase prior authorization hassles for Medicaid prescriptions by repealing "prescriber prevails" protections and give power to Medicaid to reimburse physicians for injectable medications at amounts even less than what the physician office paid to acquire the injectable medication.

(DIVISION OF GOVERNMENTAL AFFAIRS)

Congress Reduces but Does Not Fully Restore Medicare Payment Cuts

The United States House of Representatives overwhelmingly passed a series of appropriations bills this past Wednesday that includes a measure to by approximately 50% the 3.37% Medicare physician payment cut that went into effect on January 1. The measure is expected be passed by the US Senate today and be signed into law. Elimination of this grossly unfair cut had been a major priority of MSSNY, the AMA and many physician advocacy organizations across the country, and several New York physicians and MSSNY staff recently met with New York Congressional delegation members to plead for relief from this cut.

"While we appreciate the challenges Congress confronted when drafting the current 2024 appropriations package, we are extremely disappointed that about half of the 2024 Medicare physician payment cuts will be allowed to continue" stated AMA President Dr. Jesse Ehrenfeld. There were many opportunities and widespread support to block the 3.37 percent Medicare cuts for physician services that took place Jan. 1, but in the end, Congress opted to reverse only 1.68 of the 3.37 percentage payment reduction required by the Medicare Fee Schedule. The need to stop the annual cycle of pay cuts and patches and enact permanent Medicare payment reforms could not be more clear."

Dr. Ehrenfeld also noted "Physicians are the only providers who do not receive automatic inflation updates to their Medicare payments, and they are the only group experiencing a payment cut this year despite high inflation. Adjusted for inflation in practice costs, Medicare physician pay declined 30 percent from 2001.

(AUSTER, CARY)

Governor Kathy Hochul today announced <u>Governor Hochul Announces | Department of Financial Services (ny.gov)</u> that the New York State Department of Financial Services recovered more than \$182 million in recoveries and restitution for consumers and health care providers in 2023. Last year, DFS recovered more than \$158 million for consumers and health care providers who filed complaints with the Department, as well as \$23 million in restitution collected from DFS enforcement and supervisory actions, in addition to other penalties.

NYSDOH Announces Federal Approval of Waiver to Expand Public Health Insurance in New York State

The NYS Department of Health (DOH) announced this week approval by the U.S. Department of Health and Human Services (HHS) and Department of Treasury of New York's application for a Section 1332 State Innovation Waiver to expand the state's <u>Essential Plan</u>. This will enable the state to offer health insurance to more New Yorkers and, in particular, increase eligibility for this "first dollar" coverage program to persons with incomes up to 250% of the Federal Poverty Level. This will expand coverage for more than 100,000 New Yorkers, which DOH estimates will save them an average of \$4,700 per year compared to the cost of coverage in a Qualified Health Plan purchased through the NYS Exchange.

To read more about key components of the 1332 waiver and to review a timeline of the waiver application process, please <u>click here</u>.

To read Governor Hochul's press release of this approval, please <u>click here</u>.

(CARY)

Women Physicians Leadership Academy Continues This Weekend!

The MSSNY Women Physicians Leadership Academy programming continues this weekend, Saturday March 9th, with our second session "Enhancing Physician Wellness and Belonging". The session will start promptly at 7:45 am and go on until 11:15 am. There is still time to register, click here! To register for the March 16th session, please click the following link: March 16, 2024: Designing Your Medical Career

If you are unable to attend one of the sessions, they will be placed on-line at the MSSNY CME website as enduring material approximately one month after the live activity.

(RENTO)

Registration Now Open Medical Matters CME Webinar

A Primer on Natural & Technological Disasters

It sometimes seems that there is a constant barrage of disasters occurring, both small and large scale. Physicians and other healthcare professionals play an integral role in mitigating these disasters. Learn more about disaster preparedness by registering for the next Medical Matters webinar, A Primer on Natural & Technological Disasters on **March 20**th at **7:30am**. Arthur Cooper, MD, past chair of MSSNY's Committee on Emergency Preparedness and Disaster/Terrorism Response will serve as faculty for this webinar. Register now

Educational objectives are:

- Outline various types of natural and technological disasters including causes, frequency and impact.
- Describe the medical impact natural and technological disasters can have on the population as a whole.
- Recognize the role and responsibility of physicians in disaster preparation and response.

Additional information or assistance with registration may be obtained by contacting Melissa Hoffman at mhoffman@mssny.org

Volume 34, No. 10, March 8, 2024

The Medical Society of the State of New York is accredited by the Accreditation Council for Continuing Medical Education (ACCME) to provide continuing medical education for physicians. The Medical Society of the State of New York designates this live activity for a maximum of 1.0 AMA PRA Category 1 credits $^{\text{TM}}$. Physicians should claim only the credit commensurate with the extent of their participation in the activity.

(HOFFMAN)

MSSNY House of Delegates CME Day Thursday April 11, 2024

Registration Now Open Medical Matters CME Webinar What's That Spot?

The CDC estimates that more than 61 million doses of measles vaccine have been postponed or missed since 2020 globally. Additionally, rashes tend to mimic one another making differential diagnosis tricky. Learn more about discerning the presentation, comorbidities and causes of a variety of rashes by registering for the next Medical Matters webinar, *What's That Spot?* on **Thursday April 11th at 7:30am**. William Valenti, MD, chair of MSSNY's Infectious Diseases Committee and Kira Geraci-Ciardullo, MD, MPH both members of MSSNY's Committee on Emergency Preparedness and Disaster/Terrorism Response will serve as faculty for this webinar. **Register now**

Educational objectives are:

- Describe rash types, causes, variations and diagnoses.
- Differentiate diffuse, vesicular and maculopapular rashes (using case studies).
- Summarize best practices for diagnosing rash presentations.

Additional information or assistance with registration may be obtained by contacting Melissa Hoffman at mhoffman@mssny.org

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(HOFFMAN)

Registration now open: Veterans Matters CME Webinars

New York State is home to more than 800,000 veterans, and a recent study showed that nearly half of these veterans receive healthcare services outside of the VA system. MSSNY Veterans Matters webinars provide physicians with essential information to treat veteran patients.

<u>Veterans Matters: TBI in Returning Veterans</u>, takes place on **April 11, 2024 @ 8:40 AM**. The faculty for this webinar is David Podwall, MD. Educational Objectives:

- Identify signs and symptoms indicative of the spectrum from concussion/mild TBI to severe TBI.
- Examine evidence-based treatment modalities and when to refer to a specialist.
- Identify red flags that indicate alternate or more severe pathology.
- Outline an appropriate management plan for a patient presenting with concussion/TBI including a return to "normal life" protocol.

<u>Veterans Matters Burn Pits: Psychological and Physical Impact on Veterans</u>, takes place on **April 11, 2024 @ 9:50 AM**. The faculty for this webinar is Frank Dowling, MD and Mary Lee-Wong, MD.

Educational Objectives:

Describe the reported physical and psychological sequelae after burn pit exposure.

Volume 34, No. 10, March 8, 2024

- Outline possible symptoms that can result from burn pit exposure.
- Define aerosolized airborne hazards dissipated from prevalent items in burn pits.
- Identify different types of diseases that can be caused by burn pit exposure.

Additional information or assistance with registration may be obtained by contacting Nicholas Hospodar at nhospodar@mssny.org

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*This program is supported in whole by a grant from the New York State Office of Mental Health. (HOSPODAR)