CMS Withdraws Medicaid Fiscal Accountability Proposed Rule

The Centers for Medicare & Medicaid Services (CMS) announced on Monday, September 14, that it will withdraw the Medicaid Fiscal Accountability proposed rule (MFAR) from its regulatory agenda. “We’ve listened closely to concerns that have been raised by our state and provider partners about potential unintended consequences of the proposed rule, which require further study,” CMS Administrator Seema Verma tweeted. “Therefore, CMS is withdrawing the rule from the regulatory agenda.”

The AHA and other health groups earlier this year urged CMS to withdraw the proposed rule related to Medicaid program financing and supplemental payments because it would “severely curtail the availability of health care services to millions of individuals” and “many of its provisions are not legally permissible.”

If the proposed rule were to be implemented, the Medicaid program, nationally, could face total funding reductions between $37 billion and $49 billion annually, or 5.8% to 7.6% of total program spending, AHA said, citing analysis from Manatt Health. Specifically, hospitals could lose $23 billion to $31 billion in Medicaid payments annually, representing 12.8% to 16.9% of total hospital program payments.

CMS still must formally withdraw the rule through a notice published in the Federal Register.

CHA Asks HHS to Protect 340B Program

In a letter to Alex Azar, Secretary of the U.S. Department of Health and Human Services (HHS), CHA urged the Secretary to stop a number of major pharmaceutical manufacturers from taking actions that undermine the integrity of the 340B program.

In the letter, CHA highlighted the tactics manufacturers have recently taken that are contrary to the requirements under the 340B statute and regulations. Such actions include erecting barriers to the use of contract pharmacies and requiring superfluous claims data reporting.

The 340B program, which requires pharmaceutical manufacturers to provide discounts on covered outpatient drugs to certain providers, is an important part of the work done by hospitals to serve vulnerable communities.

The American Hospital Association and individual hospitals and health systems from across the country have sent similar letters.

Connecticut’s Congressional delegation has also been active in supporting the 340B program against these drug manufacturer tactics. At the urging of CHA, all five members of Connecticut’s U.S. House delegation signed a letter to the Secretary of Health and Human Services urging him to stop these unlawful practices. Additionally, both of Connecticut’s U.S. Senators sent a letter directly to the pharmaceutical industry’s national trade association, requesting that they instruct their members to comply with the 340B statute and regulations.

Education Updates

Leadership Forum: Healthcare Reimagined
Thursday, September 24, 2020
9:00 a.m. – 11:30 a.m.

CHA has collaborated with the Massachusetts Health & Hospital Association to present a virtual webcast featuring local and national thought leaders to discuss innovative breakthroughs, health equity, and the 2020 elections. Click here for details and registration information.

Medication for Opioid Use Disorder in a Hospital Setting
Wednesday, September 23, 2020
Thursday, November 19, 2020
9:00 a.m. – 12:00 p.m.

CHA is pleased to partner with the Connecticut Behavioral Health Partnership and Beacon Health Options Connecticut to offer two education forums on Medication for Opioid Use Disorder in a Hospital Setting. The first of the two forums will be held on Wednesday, September 23, 2020 and the second will be held on Thursday, November 19, 2020. Both sessions will take place from 9:00 a.m. – 12:00 p.m. via Zoom.

These interactive forums will include presentations on:

- Regulatory considerations regarding the Connecticut Department of Public Health’s recently issued guidance
- Implementation of a Medication for Opioid Use Disorder program
- The importance of connecting the patient to community care prior to discharge
- Best practices for screening patients for opioid use disorder
- Benefits of hospital emergency department and inpatient unit collaborations

There is no fee to attend for CHA members, but pre-registration is required per session. Click here to register for the September 23, 2020 session, and click here to register for the November 19, 2020 session.