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#### 1. VHHA in Action

Each day, VHHA actively works on behalf of its members, their employees, and Virginians to advance the interests of Virginia's hospitals and health care systems. In the past week, here are some developments of interest to Virginia hospitals and health systems:

- Virginia Governor Glenn Youngkin has signed two pieces of legislation, <u>Senate Bill 425</u> from Senator Barbara Favola of Arlington County and <u>House Bill 123</u> from Delegate Richard "Rip" Sullivan of Fairfax County, regarding the Fair Business Practice Act that updates state policies governing the business practices of health insurance carriers in the processing and payment of claims. VHHA pursued this legislation on behalf of hospitals and health systems that have faced challenges with payors related to delayed health insurance claim processing and payment.
- The Centers for Medicare & Medicaid Services (CMS) recently announced an extension of its temporary Marketplace special enrollment period for those who lost Medicaid or Children's Health Insurance Program (CHIP) eligibility following the end of the COVID-19 public health emergency continuous coverage period. The end date of the enrollment period is extended from July 31 to Nov. 30, 2024. CMS also issued new guidance on the unwinding of the continuous coverage process, tools for states, guidance for Medicaid managed care plans, and resources for families no longer eligible for Medicaid or CHIP coverage. And the agency recently finalized a rule proposed in 2022 to standardize Medicaid and CHIP enrollment and renewal processes and make it easier for eligible children and adults to stay covered. According to CMS, the final rule eliminates CHIP waiting periods, annual and lifetime coverage limits, and the practice of locking children out of coverage if a family is unable to pay premiums; improves the transfer of children from Medicaid to CHIP when a family's income rises; gives individuals at least 15 days to provide additional information when applying for the first time and 30 days to return documentation when renewing coverage; prohibits conducting renewals more often than

- every 12 months; and requires in-person interviews for older adults and those with disabilities. The rule takes effect 60 days after publication in the April 2 Federal Register. According to a recent <u>report</u>, the continuous eligibility requirements that Congress passed in December 2022 could protect as many as 17 million children from coverage disruptions. The requirements took effect on Jan. 1.
- Part C and Part D payment policies for calendar year (CY) 2025. The agency estimates the changes will increase MA plan revenues by an average of 3.7 percent from 2024 to 2025. The update includes changes to the Part C risk adjustment model that were finalized in the CY 2024 final rule and are being phased-in over three years, such as transitioning the model to reflect ICD-10 condition categories and using more recent data available for fee-for-service diagnoses and expenditures, in addition to providing technical updates to the methodology for CY 2025. Also finalized are technical updates to the Part C and D star ratings and changes to the standard Part D drug benefit required by the Inflation Reduction Act of 2022, including capping annual out-of-pocket costs for people with Medicare Part D at \$2,000 in 2025. CMS also reminds stakeholders to consider submitting comments to the Medicare Advantage Data Request for Information by the May 29 deadline.
- Through May 28, the U.S. Department of Health and Human Services (HHS) Office of the
  National Coordinator for Health Information Technology is seeking comment on a <u>federal</u>
  <u>strategic plan</u> for health information technology over the next five years. The plan outlines
  federal goals and strategies to support electronic health information access, exchange, and use.
  Federal agencies will use the final plan to prioritize and coordinate their efforts and signal
  priorities to the private sector.
- The U.S. Department of Health and Human Services (HHS), the Administration for Strategic Preparedness and Response (ASPR), and the Centers for Medicare & Medicaid Services (CMS) recently issued a guide on health plan resources for health care providers impacted by the Change Healthcare cyberattack, including health plan contact information, noting in an accompanying letter that many providers continue to face significant disruptions as a result of the cyberattack or difficulty getting information from health plans about prospective payments and other flexibilities. The letter also encourages providers to review HHS' voluntary cybersecurity performance goals.
- The Advanced Research Projects Agency (ARPA-H) of the U.S. Department of Health and Human Services (HHS) has issued a <u>draft solicitation</u> seeking applicants to the Health Care Rewards to Achieve Improved Outcomes (HEROES) program that will evaluate a new payment model to incentivize community-based interventions to improve health outcomes in a geographic area. Under the current timeline, abstracts from interested applicants are due by June 17. The model will offer participating non-profit organizations, consortiums, and others direct payments to reduce specific health harms in an area. Questions may be sent to <a href="heroes@arpa-h.gov">heroes@arpa-h.gov</a>.
- Through May 20, appropriate state agencies can apply for up to \$2 million per year to partner with communities to integrate primary and behavioral health care in clinical practices and up to \$900,000 annually to implement a primary care model that integrates mental health and substance use conditions. These funding opportunities are available through the Substance Abuse and Mental Health Services Administration (SAMHSA). Read more here and here. Another grant opportunity open to local governments and mental health systems is offering as much as \$750,000 annually to implement assisted outpatient treatment programs to support adults with serious mental illness. The application deadline for that program is April 26. Read more here.

- The U.S. Food and Drug Administration (FDA) recently approved Duvyzat (givinostat) oral medication for the treatment of Duchenne Muscular Dystrophy (DMD) in patients six and older. Duvyzat is the first non-steroidal drug approved to treat patients with all genetic variants of DMD. It is a histone deacetylase (HDAC) inhibitor that works by targeting pathogenic processes to reduce inflammation and loss of muscle. DMD is the most common childhood form of muscular dystrophy and typically affects males. It is a rare neurological disorder which causes progressive muscle weakness due to a lack of muscle protein called dystrophin. Over time, the muscles deteriorate causing problems with walking and muscle strength and ultimately problems with breathing leading to early death. Life expectancy for those with DMD has increased over the years, with some patients surviving beyond 30 years. Read more here. The FDA also recently granted emergency use authorization (EUA) for Pemgarda (pemivibart) for the pre-exposure prophylaxis (prevention) of COVID-19 in certain adults and adolescents (12 and older weighing at least 88 pounds). Pemgarda is authorized for individuals who are not currently infected with SARS-CoV-2 and who have not had a known recent exposure to an individual infected with SARS-CoV-2; and who have moderate-to-severe immune compromise due to a medical condition or due to taking immunosuppressive medications or treatments and are unlikely to mount an adequate immune response to COVID-19 vaccination. Read more here.
- The Virginia Infection Prevention Training Center (VIPTC) has released a new round of infection prevention and control courses for specialty settings. The latest topics include infection prevention and control strategies for pharmacy, behavioral health, ambulatory surgical centers, neonatal settings, and more. Access the courses here or visit the VIPTC website to learn more.
- Children's Pavilion (CPAV) is a 60-bed inpatient psychiatric hospital and outpatient center for children owned and operated by Children's Hospital of The King's Daughters. The Pavilion is a new, free-standing facility located on the same Norfolk campus as CHKD's main hospital. Providers from community emergency departments seeking to refer patients for direct admission to Children's Pavilion should send psychiatric evaluation and medical clearance information to the following dedicated fax line: CPAV Direct Admissions at (757) 668-2047. CPAV intake nurses will review the information and communicate directly with referring providers until the clinical information is complete, and a determination to accept or deny the patient is made. If CPAV is able to admit the patient, the intake nurse will work with the nurse from the referring facility to arrange needed consents, signatures, and transport. All communication regarding admission is with the CPAV intake nurse at (757) 668-4746. Read more here.
- The Environmental Protection Agency (EPA) recently issued a final rule that will require significantly reduced emissions from commercial facilities that sterilize medical devices and other equipment using ethylene oxide gas. Among other changes, the rule will require continuous monitoring and reporting of such emissions and strengthen requirements for certain types of emissions that are not currently regulated, such as room air emissions. The EPA will give commercial sterilizers additional time to come into compliance with the requirements and will apply emission percentage reduction targets that vary by a facility's level of emissions. Read more here.
- As part of the first federal campaign to address health care worker burnout, the Centers for Disease Control and Prevention's (CDC) National Institute for Occupational Safety and Health (NIOSH) recently released an evidence-informed and actionable guide for the nation's hospital leaders to improve health care worker wellbeing. The <a href="Impact Wellbeing">Impact Wellbeing™ Guide: Taking Action to Improve Healthcare Worker Wellbeing</a> report is the newest addition to the <a href="Impact Wellbeing">Impact Wellbeing™ Campaign launched in October 2023</a>. It provides a step-by-step process for hospitals to start making organizational-level changes to impact and improve mental health for employees.

# 2. CMS Issues SNF, IRF, Psychiatric, Hospice Payment Proposed Rules

The Centers for Medicare & Medicaid Services (CMS) recently issued several prospective payment system (PPS) proposed rules for fiscal year (FY) 2025 for skilled nursing facilities (SNF), inpatient rehabilitation facilities (IRF), and hospice payment rates. The IRF PPS proposed rule calls for updating payment rates by a net of 2.8 percent (or \$280 million), including a market basket update of 3.2 percent (less a 0.4 percent productivity cut), and a 0.2 percent decrease related to outlier payment (an estimated decrease of \$25 million). The proposed rule updates the wage index using the most recent Office of Management and Budget (OMB) statistical area delineations based on the 2020 Census, and it adopts and modifies patient assessment items that address social determinants of health. CMS does not propose to adopt or remove any quality measures from the IRF Quality Reporting Program (QRP), but it does propose changes to certain patient assessment items related to health-related social needs. For instance, IRFs would be required to collect and report specific data elements related to living situation, food, and utilities beginning with the FY 2028 IRF QRP. The SNF PPS proposed rule would increase aggregate Medicare spending by 4.1 percent (or \$1.3 billion) compared with FY 2024. This reflects a proposed 2.8 percent market basket update, a 1.7 percentage point increase to counter the agency's market basket error in FY 2023, and a 0.4 percentage-point productivity decrease. CMS proposes to revise regulations regarding nursing home enforcement authority to allow the agency to impose additional financial penalties on facilities where health and safety deficiencies are identified. While CMS does not propose to adopt or remove any quality measures from the SNF Quality Reporting Program, the agency proposes that SNFs would be required to collect and report specific data elements related to living situation, food and utilities beginning with the FY 2027 SNF QRP. CMS also proposes to adopt a data validation process for the SNF QRP beginning the same year. And CMS proposes operational updates to the SNF Value-based Purchasing program, including policies regarding measure removal and review and corrections. The agency also proposes an update to the case mix methodology used to calculate the Total Nurse Staffing measure. CMS will accept public comments on the proposed rule through May 28. The agency also issued a proposed rule for the inpatient psychiatric facility (IPF) prospective payment system for FY 2025 that would increase IPF payments by a net of 2.6 percent (or \$70 million). That update reflects a 2.7 percent increase based on a proposed 2021-based market basket update of 3.1 percent minus a productivity adjustment of 0.42 percentage points. CMS also proposes to update the outlier threshold so that estimated outlier payments remain at 2 percent of total payments, resulting in a 0.1 percent decrease to aggregate payments. The proposed rule also clarifies the eligibility criteria for filing all-inclusive cost reports and makes operational changes such that, beginning Oct. 1, 2024, only government or tribally-owned IPFs can file that type of cost report. Comments are being solicited on future revisions to PPS facility-level adjustment factors as well as the development of an IPF patient assessment instrument. For the IPF Quality Reporting Program, CMS proposes to adopt one new quality measure on all-cause emergency department visits following IPF discharge. The agency also proposes to require IPFs to submit patient-level quality data on a quarterly basis, as opposed to the current annual requirement. CMS also has issued a proposed rule to update hospice payment rates for FY 2025. CMS proposes a 2.6 percent (or \$705 million) net increase to payments compared with FY 2024. This includes a 3.0 percent market basket update, a 0.4 percentage point cut for productivity, and an annual payment cap per patient of \$34,364.85. CMS also proposes to adopt the most recent OMB statistical area delineations, which would affect the geographic wage index. The rule also proposes to adopt and implement a patient-level data collection tool to replace the existing Hospice Item Set and to

add two new process measures beginning in FY 2028. CMS will accept comments on the rule through May 28.

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## 3. HHS Proposed Rule Would Limit Sale of Certain Non-Comprehensive Coverage

The **U.S.** Departments of Health and Human Services (HHS), Labor, and Treasury recently issued a <u>final rule</u> to limit the sale of one type of non-comprehensive health care coverage and promote greater consumer understanding of their coverage options. The rule restricts the length of short-term, limited-duration insurance (STLDI), which was previously extended. The initial contract period for STLDI is capped at three months, with a maximum coverage period of four months, accounting for renewals and extensions. The rule also amends the consumer notice requirements for STLDI and fixed indemnity excepted benefits coverage to ensure consumers understand the clear differences between non-comprehensive and comprehensive coverage plans, and options for purchasing comprehensive coverage. The new contract term limits and notice requirements apply to STLDI plans beginning on or after Sept. 1, 2024. The notice requirements for group and individual market fixed indemnity excepted benefits coverage apply to coverage beginning on or after Jan. 1, 2025.

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# 4. Register for the Virginia Healthcare Emergency Preparedness Summit, April 24 in Richmond

Register for the 2024 Virginia Healthcare Emergency Preparedness Summit, which is scheduled for April 24 at The Westin – Richmond and hosted by VHHA. The theme for this year's Summit is "Human Caused Incidents" and it will feature speakers, panelists, sponsors, and support organizations focused on how the Virginia health care community can strengthen its preparedness for such situations. Participants can earn up to 5.75 ACHE Qualifying Education Hours toward initial certification or recertification of the Fellow of the American College of Healthcare Executives (FACHE) designation. Up to 6.0 hours of EMT Continuing Education (CE) credits are also being offered to qualified participants. Visit this link for more information and contact Isaac Rife at irife@vhha.com to learn about sponsorship opportunities. The \$75 event registration ticket includes in-person attendance to the Summit, continental breakfast, and lunch. VHHA extends its thanks to the generous sponsors whose support helps keep the ticket price low to promote access and inclusion. – Matt Allen

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## 5. Register for 2024 Virginia Behavioral Health Summit, May 16 in Richmond

Register for the **2024 Virginia Behavioral Health Summit** scheduled for May 16 in Richmond. The theme of the one-day event is "Connection: Building a Behavioral Health System that Serves All" and its purpose is to expand knowledge about behavioral health treatment and access for clinicians, healthcare administrators, policymakers, and community-based providers. The Summit will feature innovative behavioral health models, patient-centered strategies, an overview of the expansion of the crisis system across the state, and the opportunity to learn about advances in technology that can improve behavioral health resources. Visit this <u>link</u> to register and reserve lodging accommodations. View the Summit agenda here.

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The latest episode of VHHA's *Patients Come First* podcast features an interview with **Caitlyn Berry**, an occupational therapist with **Sportable**, a Richmond-based adaptive sports organization. The conversation covers the mission and history of Sportable, the work of occupational therapists, and more. Listen to the episode <a href="https://example.com/here">here</a> and hear past episodes through this <a href="https://example.com/here">hink</a>. Podcast episodes are also available through these podcast apps and networks: <a href="https://example.com/Apple Podcast">Apple Podcast</a>, <a href="https://example.com/Amazon Music">Amazon Music</a>, <a href="https://example.com/Spotify">Spotify</a>, <a href="https://example.com/Pandora, Coogle Podcast</a>, <a href="https://example.com/Stitcher">Amazon Music</a>, <a href="https://example.com/Spotify">Spotify</a>, <a href="https://example.com/Pandora, Coogle Podcast</a>, <a href="https://example.com/Amazon Music</a>, <a href="https://example.com/Spotify">Spotify</a>, <a href="https://example.com/Pandora, Coogle Podcast</a>, <a href="https://example.com/Amazon Music</a>, <a href="https://example.com/Spotify">Spotify</a>, <a href="https://example.com/Pandora, Coogle Podcast</a>, <a href="https://example.com/Amazon Music</a>, <a href="https://example.com/Pandora, Coogle Podcast</a>, <a href

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## 7. VHHA Center for Healthcare Excellence Offers IHI Open School Quality and Safety Certificate

Virginia health care professionals looking to gain quality and patient safety improvement knowledge are invited to engage with the VHHA Center for Healthcare Excellence to access IHI Open School courses and earn a certificate in quality and safety. The IHI Open School offers access to online courses created by world-renowned faculty in improvement capability, patient safety, triple aim for populations, personand family-centered care, and leadership. Health care professionals who may find this opportunity beneficial include physicians, nurses, allied health professionals, hospital managers, quality, safety, risk management, patient experience and population health staff, and leaders in a Virginia hospital. Join us and collaborate across professions and health systems to improve how health professionals in Virginia work together to deliver better care. The program registration fee is \$199. An informational webinar about the programs is scheduled for April 11 at 10 a.m. Register for that session <a href="here">here</a>. Please send any questions to Kristie Burnette at <a href="here">kburnette@vhha.com</a>.

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## 8. VHHA Solutions Partner AblePay Health to Host April 16 Webinar on Patient Affordability Gap

<u>VHHA Solutions</u> and its endorsed partner, <u>AblePay Health</u>, are presenting a webinar on "Patients as Payors – Addressing the Patient Affordability Gap" scheduled for April 16 at noon. In the current health care financial landscape, providers need options to improve revenue and patient satisfaction, while patients desire a more affordable and better billing experience. There is a way to achieve each of these goals. The upcoming webinar will discuss the patient affordability gap faced by health care providers in Virginia and the communities they serve, ways to increase provider revenue while delivering a better overall patient experience, and a case study with the Lehigh Valley Health Network that demonstrates how patient payment behavior can be positively changed. Read more about the webinar and register here.

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# 9. Federal Cybersecurity Agency Issues Proposed Rule on Cyber Incident Reporting Requirements

The **Cybersecurity and Infrastructure Security Agency** (CISA), a division of the **U.S. Department of Homeland Security** (DHS), recently issued a proposed rule implementing cyber incident and ransom

payment reporting requirements under the Cyber Incident Reporting for Critical Infrastructure Act of 2022, that is intended to help the agency prevent cyberattacks and deploy assistance to victims. In addition to specifying instances in which a cyber incident or ransomware attack would need to be reported to CISA, the draft regulations would require critical infrastructure organizations, including critical access hospitals and hospitals with 100 or more beds, to report a covered cyber incident to the federal government within 72 hours, report ransom payments within 24 hours, and a requirement to preserve certain data and records for two years. These draft regulations will likely be in addition to, rather than in lieu of, any regulations promulgated by the **U.S. Department of Health and Human Services** (HHS) that are expected to place additional cybersecurity requirements on healthcare providers and payors, among others. CISA will accept comments on the rule for 60 days following publication in the Federal Register on April 4. – Ryan Lodata

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#### 10. Around the State

**Savannah Lowe**, RN, has been named Skilled Nursing Director for **Clinch Valley Health**. Lowe has been with Clinch Valley Health for the past five years as a registered nurse on the Skilled Unit. She obtained her associate of science in nursing degree from Bluefield State University. Read more here.

**Xavier Richardson**, Senior Vice President and Chief Development Officer for **Mary Washington Healthcare**, is a recipient of the Dr. Yun Project's Community Changemaker Award. Read more <a href="here">here</a>.

**Eileen Duaz**, Clinical Nurse Manager of Endoscopy for **Sentara Health**, has become the first Filipino American nurse and the first nurse from Sentara Health to serve as President of the **Society of Gastroenterology Nurses and Associates**.

**Dr. Heather Morgan**, MD, of Shenandoah Valley Radiation Oncology Associates at the **Sentara RMH Hahn Cancer Center**, is the recipient of the 16th annual Sentara RMH Golden Stethoscope Award, which recognizes outstanding physicians on the Sentara RMH medical staff who demonstrate excellence in patient care, customer service, communication, and teamwork. The Golden Stethoscope Award is announced annually as part of the hospital's recognition of National Doctors' Day. This year, **Sentara RMH Medical Center** had 154 Golden Stethoscope Award submissions with 52 individuals receiving nominations this year. All hospital team members, as well as staff in the local independent medical practices, can submit nominations. – Salinna Lor

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