



Capitol Comments

LEGISLATIVE UPDATE

Welcome to recess! The House of Representatives went on recess for the month of August. The Senate decided to stay and work a limited calendar during the month. In the spirit of “imitation is the sincerest form of flattery,” I too am going to take August off.

Just kidding.

CMS has been sending out proposed rules left and right. And Blair Childs of Premier was right when he said, “the proposed outpatient prospective payment system rule sets up a battle with the hospital community.” The [proposed rule](#) lowers reimbursement to the physician fee schedule for clinics acquired by a hospital before November 2, 2015. The motivation seems to be to reduce the incentive to employ physicians, so CMS is going against the industry tide on this one.

The proposed rule also extends the current policy reimbursing drugs and biologics purchased under the 340B program at ASP minus 22.5% to hospital-owned physician offices and clinics. So, the fight for 340B rages on. A [recent survey](#) by 340B Health found that 74% of rural hospitals say 340B savings are the difference between staying open and closing their doors. 340B hospitals also say they will have to limit uncompensated and unreimbursed care provided at their facilities if 340B discounts are cut. This is a serious issue since 340B DSH hospitals are [responsible for 60%](#) of the nation’s uncompensated and unreimbursed care (more than \$26 billion). Who is going to cover that cost when these hospitals close or can no longer cover it? It seems the feds missed the target on this approach to fighting drug costs and creating savings.

CMS has [additional fact sheets](#) on the other proposed rules released for public comment this summer.

Interested in what Brett Kavanaugh, Supreme Court nominee, thinks about healthcare issues? Me neither. But seriously, Timothy Jost did a [great run down](#) on Kavanaugh’s healthcare opinions. Read it and then go tell Cory Gardner and Michael Bennet what you think about Kavanaugh. Yay democracy!

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for local population health***

