

WHITE HOUSE: Though chances of actual adoption are slim-to-none, the 2020 federal budget proposal from the Trump administration proposed budget contains a number of disconcerting proposals. [The plan](#) calls for cuts to Medicare, primarily through a combination of payment decreases, more stringent oversight of individual provider reimbursement patterns, and more extensive prior authorization requirements for physicians. In addition, the plan proposes:

- *Medicaid.* The administration's proposal to move Medicaid away from its current funding system to a per-capita block grant program. The administration estimates the change could result in a \$160 billion savings, but critics say that the shift would reduce access to care, as would another provision in the plan that would mandate work or community volunteer requirements for "able-bodied, working age individuals.
- *Durable Medical Equipment, Prosthetics, and Orthotics (DMEPOs).* Under the Trump budget, the US Centers for Medicare and Medicaid Services (CMS) competitive bidding program would be extended to apply to ventilators and orthotics, which could interfere with patient access to these devices as well as the ability for patient-specific adjustments to be made by providers. Additionally, the proposal would expand CMS prior authorization authority to additional DMEPOs—another provision that APTA believes could delay or prevent patient access.
- *Postacute care payment.* The proposed budget steadily lowers annual Medicare payment updates for skilled nursing facilities, home health agencies, and inpatient rehabilitation facilities beginning in the 2020 fiscal year, leading up to the adoption of a unified postacute payment system for all settings in the 2025 fiscal year.
- *Prior authorization authority.* The budget extends CMS authority to require prior authorization for all Medicare fee-for-service items and services, specifically those that CMS claims are at high risk for fraud and abuse.
- *Oversight of "excessive" physician orders for certain services—including therapy.* The administration budget seeks to establish establishes a prior authorization program for high utilization practitioners of radiation therapy, therapy services, advanced imaging, and anatomic pathology services beginning in 2021. CMS would conduct annual reevaluations to identify the physicians who would be subject to prior authorization in the next calendar year.
- *National Institutes of Health (NIH) funding.* The proposal would lower NIH funding by \$4.5 to \$6 billion compared with 2018, including a \$900 million reduction in funding for the National Cancer Institute.
- *Education.* In addition to reducing funding for college work-study programs and ending loan forgiveness for public-sector workers, the administration's plan would cancel a \$1.4 billion surplus in the federal Pell grant program.

PTAC: The Physician-Focused Payment Model Technical Advisory Committee (PTAC) met on March 11, 2019 to review the two proposed payment models related to wound care services, one of which was submitted by Upstream Rehabilitation. PTAC declined to recommend the Secretary of HHS implement either model.

CMS: The Centers for Medicare & Medicaid Services (CMS) issued a request for information (RFI) on what it would take and the possible implications of allowing Americans to buy health insurance across state lines. This RFI is the latest foray into President Trump's October 12, 2017 Executive Order, "Promoting Healthcare Choice and Competition Across the United States," to increase the amount of choice that Americans have and to encourage insurance companies to compete to not only drive healthcare premiums down, but to allow smaller insurances the chance to become more competitive after rising premiums forced them out of the marketplace due to under enrollment. The RFI will be open for 60 days from March 6, 2019. Click [here](#) to view the RFI.

AROUND THE STATES:

- Arkansas House Bill 1422 was enacted making it the 22nd state to join the PT Interstate Compact.
- With enactment of Senate Bill 1106, Virginia becomes the 23rd state to join the PT Interstate Compact.
- Wyoming HF 6 has been signed into law. The legislation provides for unrestricted direct access and will go into effect July 1.
- Minnesota Gov. Walz signed legislation to allow PTs to make disability determinations for purposes of parking placards and license plates, becoming the 8th state to do so.