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December 2024

Every year, legislative and regulatory developments at both the federal and state levels affect audiology and hearing-health care. This quarterly newsletter provides a concise overview of key updates and issues you need to know, along with upcoming events of interest.

Federal Updates

The November Election and the 119th Congress

The 2024 election cycle gave the Republican Party a sweep of the White House, Senate, and House. The Senate will now include 53 Republicans and 47 Democrats, while the House margin of victory is much smaller at 217 to 215 due to President-elect Trump nominating three House representatives for his administration. The three empty seats will be filled in special elections held in 2025. This might mean legislation is stalled in the House if Speaker Mike Johnson (R-LA) cannot rally every Republican to support his efforts.

The new Congress will be sworn in on January 3, followed by President-elect Donald Trump's inauguration on January 20. There are over 60 new members of Congress and 12 new U.S. senators. Mike Johnson is expected to be re-elected as speaker, while Senator John Thune (R-SD) will be the majority leader in the Senate. In the past, Senator

Thune has focused on physician reimbursements and rural health care, which could raise possibilities for the Academy to find common ground with him.

President-elect Donald Trump has made the following nominations for his Cabinet:

- Robert F. Kennedy Jr. has been nominated for secretary of Health and Human Services. Mr. Kennedy is the son of former Attorney General Robert F. Kennedy. Mr. Kennedy is an environmental lawyer who ran for president in 2024 and does not have a medical or public health degree.
- Dave Weldon, MD, has been nominated for director of the Centers for Disease Control and Prevention. Dr. Weldon is a former Florida representative and a physician.
- **Mehmet Oz, MD**, has been nominated for administrator of the Centers for Medicare and Medicaid Services. Dr. Oz is a celebrity physician who lost to John Fetterman in 2022 in a race to represent Pennsylvania in the Senate.
- Jay Bhattacharya, MD has been nominated for director of the National Institutes of Health. Dr. Bhattacharya is a professor of medicine at Stanford University and a research associate at the National Bureau of Economics Research.
- **Janette Nesheiwat, MD**, has been nominated for surgeon general. Dr. Nesheiwat is a Fox News medical contributor.
- Martin Makary, MD, MPH, has been nominated as commissioner of the Food and Drug Administration. He is a Johns Hopkins University surgeon and researcher who is known to be a critic of the medical establishment.

These positions must be confirmed by the U.S. Senate in the 119th Congress, with confirmation hearings expected to begin in January.

Medicare Audiology Access Improvement Act

The Academy understands there is a very slim chance for substantial opportunities to advance the Medicare Audiology Access Improvement Act (MAAIA) in the lame-duck session between the November election and the end of the year. The lame duck will be focused primarily on funding the government and providing money for hurricane-devastated areas. While the Medicare Physician Fee Schedule (MPFS) cuts almost made it into the appropriations package, it is believed that it would be easier to include these in the reconciliation package Republicans hope to pass early in the 119th Congress.

The Academy will continue to look at all opportunities in the 119th Congress to advance the legislation with the AAA-ADA-ASHA collaborative. We hope to secure a quick reintroduction in the incoming Congress, which will require a new lead in the House, as Representative Matt Cartwright (D-PA) lost his election in the 2024 cycle. With the start of the 119th Congress in the new year, the Academy government relations team will work to advance key federal and state public policy initiatives that support hearing health and audiology, including advocating for critical legislation, securing funding for research and programs, and addressing policy changes that affect our profession. Additionally, we will collaborate with state leaders to monitor and respond to relevant state legislation nationwide.

CMS Finalizes 2025 Payment Rules

On November 1, the Centers for Medicare and Medicaid Services (CMS) released the calendar year (CY) 2025 MPFS and the Hospital Outpatient Prospective Payment System (OPPS)/Ambulatory Surgical Center (ASC) proposed regulations that will go into effect on January 1, 2025.

CMS did not explicitly propose extending provisional approval for audiology-specific current procedural terminology (CPT) codes on the telehealth services list in its final CY 2025 rulemaking. The agency provided clarification in the final rule that any CPT codes currently granted provisional approval for telehealth will remain on the telehealth services list through at least 2025. However, CMS emphasized that provisional services, such as those for audiology, will not be permanently added to the telehealth services list until a comprehensive analysis of their effectiveness is completed. CMS has previously stated that this evaluation will be conducted independently of the rulemaking process.

CY 2025 MPFS Key Takeaways for Audiology: Payments Decline

Medicare is finalizing a 2.83 percent cut for MPFS services in CY 2025, which is based on the proposed 2025 conversion factor (CF) of \$32.3465 from the CY 2024 conversion factor of \$33.2875. This is the fifth year in a row that the CF is facing a cut. Medicare payments currently do not keep up with the rising costs of inflation and running a practice, and an additional cut for 2025 will further harm already overburdened practices. The Academy will continue to urge Congress to reverse the 2.83 percent cut to Medicare physician reimbursement announced in the 2025 CY fee schedule.

The CF update is primarily based on three factors:

- A statutory 0 percent update scheduled for the Physician Fee Schedule in CY 2025
- A 0.02 percent positive budget neutrality adjustment
- The expiration of funding patches passed by Congress through the Consolidated Appropriations Act of 2023 and the Consolidated Appropriations Act of 2024, which partially mitigated cuts to the CF for CY 2023 and CY 2024 resource-based relative value scale and anesthesia CFs.

The Academy supports the bipartisan bill introduced in Congress, the Medicare Patient Access and Practice Stabilization Act of 2024, which aims to eliminate the 2.8 percent conversion factor cut and provide an approximate +1.8 percent update.

For this newsletter, we've tailored the report to highlight the most relevant details. For a comprehensive analysis and in-depth breakdown of all aspects of the CMS MPFS, please read the full article <u>CMS Finalizes 2025 Payment Rules Article</u>, available on our website.

Thank You to Our PAC Donors for 2024

As we reflect on 2024, we want to express our deepest gratitude to each of you who donated to the Academy's Political Action Committee (PAC). Your contributions have been instrumental in amplifying our collective voice and advancing critical issues that shape our profession and the patients audiologists serve. Together, we have built strong relationships with policymakers on Capitol Hill and made significant strides in advocating for legislation that aligns with our mission and values.

While we celebrate our successes, the work does not stop here. With 2025 around the corner, we remain steadfast in our commitment to advocacy and will continue fundraising to ensure this essential work moves forward. Your ongoing support will help us expand our impact and face the challenges ahead with strength and determination. Thank you for standing with us and making a difference!

To learn more about the Academy's PAC and how to donate, please visit the <u>Academy's PAC page</u>.

Donate Now

Join us at AAA 2025 for a Can't-Miss PAC Event

Don't miss out on this year's PAC event at AAA 2025+HearTECH Expo in New Orleans, March 26–29, 2025. We'll be exploring the spooky side of the city with a walking Haunted and Voodoo Tour!

Your participation doubles as a donation to the PAC, helping us continue our important advocacy work. By signing up, you're treating yourself to a night of thrills and chills and supporting the causes that support the practice of audiology. Registration is limited to U.S. Academy members.

Reserve your spot today before space runs out!

State Updates

Academy Publishes Public Policy Statement on Access Expansion

Last month, the Academy Board of Directors approved a new policy statement on expanding access to audiologists. In this document, the Academy reaffirms its commitment to supporting audiologists as independent healthcare providers who deliver comprehensive hearing and balance services.

View the document.

Join the State Policy Advocacy Network!

With the new year, audiology advocates have a new platform for collaboration: the State Policy Advocacy Network (SPAN). This initiative, an evolution of the State Leaders Network, will bring audiology professionals together to focus on advancing the profession through state and federal policy discussions. SPAN aims to broaden its scope to include diverse government relations topics. The network will serve as a resource for advocacy volunteers seeking to engage with and influence policy impacting audiology at all levels.

Quarterly meetings will provide members with opportunities to discuss pressing policy issues and strategize collective actions to address challenges within the field. The Academy is encouraging interested audiologists, members, and non-members alike, to express their interest by completing a brief online form. To join the conversation and help

shape public policy affecting the audiology profession, interested parties are encouraged to complete the interest form linked below.

Complete the SPAN Interest Form Today!

Other News

Al and Algorithms Behind Surge in Medicare Advantage Denials

Last year, the Senate Homeland Security Committee's Permanent Subcommittee on Investigations (PSI) launched an inquiry into barriers Medicare Advantage (MA) enrollees face in accessing care. Requests were submitted to Humana, UnitedHealthcare, and CVS (Aetna), who together insure nearly 60 percent of MA enrollees. The investigation focused on prior authorization (PA) requests and denials since 2019, examining claims that AI and algorithms were used to boost profits through these denials.

In October, the PSI published a report after conducting the investigation in which they reviewed more than 280,000 documents, revealing a systematic denial of post-acute care. These denials left seniors vulnerable, forcing them to make difficult decisions about their health and finances. Key findings from the 2022 report include:

- UnitedHealthcare and CVS denied PA requests for post-acute care at rates three times higher than their denial rates for other types of care.
- Humana had a denial rate for post-acute care 16 times higher than its overall denial rate.
- UnitedHealthcare's PA denial rate for post-acute care rose from 10.9 percent in 2020 to 22.7 percent in 2022 as the company shifted to more automated processes.
- CVS's denial rate for post-acute care was stable from 2019 to 2022, but PA requests surged by 57.5 percent.
- Humana denied 54 percent more PA requests for long-term acute care hospitals (the most expensive form of post-acute care) from 2020 to 2022.

The committee recommends that CMS collect PA data based on care types, audit insurers, and regulate predictive technologies used in authorization processes. CMS is reviewing the report's findings, stating that changes to MA policies would be introduced through future rulemaking.

Have questions? Contact a member of the government relations team:
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