



Issues for the week ending November 15, 2024

## Federal Issues

### Regulatory

#### **CMS Announces Medicare 2025 Parts A and B Premiums and Deductibles**

CMS announced 2025 premiums, deductibles, and coinsurance amounts for Medicare Part A and Part B, and the 2025 Medicare Part D income-related monthly adjustment amounts.

#### **By the numbers:**

- The Part B monthly premium will be \$185.00 in 2025, an increase of \$10.30 from 2024.
- The Medicare Part B deductible will be \$257 for 2025, a \$17 increase from the 2024 deductible.
- The Part A deductible will be \$1,676 in 2025, compared to \$1,632 in 2024.
- The Part A premium, which is paid by about 1% of beneficiaries, will be

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\$518 in 2025, compared to \$505 in 2024.

**Part D:** CMS also provided details on the 2025 Part D income-related monthly adjustment amounts to be paid to the federal government by beneficiaries with annual income levels above a specified threshold.

**Go deeper:** Read the CMS fact sheet [here](#). The notices were scheduled to be published in the November 14 Federal Register.

- Legislators Select Leaders

### Industry Trends

#### Policy / Market Trends

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- Uninsured Rate at 7.6%, CDC Reports

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## **CMS Announces Notice of Funding Opportunity for EHB-Benchmark Plan Modernization Grants for States with an FFE**

On November 13, 2024, CMS announced a [Notice of Funding Opportunity \(NOFO\)](#) for states with a federally-facilitated exchange (FFE).

**Why this matters:** The goal of the grant program is to provide states with funds to perform activities related to the review of Essential Health Benefits (EHB)-benchmark plans to modernize and change these plans.

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## **CMS Releases Medicaid Transportation Coordination Fact sheet**

The Centers for Medicare & Medicaid Services (CMS) released a fact sheet on Medicaid emergency medical transportation (NEMT).

**Why this matters:** The document, developed in with input from state departments of transportation (DOTs), addresses commonly asked questions about NEMT, including questions around the activities that can be covered under the NEMT benefit and how state NEMT revenue can be used as local match to FTA grants. The document also clarifies the roles of CMS, the Federal Transit Administration, and state agencies in funding and delivering NEMT.

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## **CMS Innovation Center Shares Lessons Learned from Rural Health Models**

The Center for Medicare and Medicaid Innovation (CMMI) released a report titled *Reimagining Rural Health: Themes, Concepts and Next Steps from the CMS Innovation*

*Center “Hackathon” Series.* The report describes lessons learned from previous CMMI models focused on rural health and explores potential opportunities for CMMI to support rural health in the future.

**Why this matters:** These lessons include needing to provide rural hospitals with better information on payment methodologies and how they may fare under certain payment models, the importance of improving data collection and reporting infrastructure, the value of early engagement with states during model design. The report also highlights insights from the 2020 Rural Health Hackathon, a series of events convening rural health providers, community organizations, entrepreneurs, policy experts, patients and others to generate creative solutions to address rural health challenges. [Read More](#)

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### **CMS Releases Informational Bulletin on Use of Unwinding Strategies to Support Long-term Eligibility and Enrollment Improvements**

CMS released an informational bulletin providing states with guidance on the continued use of streamlined eligibility and enrollment strategies made available to address challenges during the unwinding of the continuous enrollment provision.

**Why this matters:** The bulletin notes that states either have the option to continue or will be required by recent rulemaking to implement over half of the unwinding-related section 1902(e)(14)(A) waiver strategies under their respective state plans.

Strategies that may be adopted without a section 1902(e)(14)(A) waiver include using gross income determinations from the Supplemental Nutrition Assistance Program (SNAP), completing ex parte renewals when no data sources return income information, and streamlining use of the asset verification system. The bulletin also describes alternative approaches that states may use to replace those strategies that they will not be able to continue after their unwinding-related 1902(e)(14)(A) waivers expire on June 30, 2025. Of note, the bulletin clarifies that existing managed care regulations do not prohibit managed care organizations (MCOs) from conducting outreach and assisting beneficiaries with completing and submitting renewals, provided that the plan does not provide choice counseling, complete renewal fields related to plan choice or sign the form on behalf of the beneficiary. To implement this MCO assistance strategy moving forward, states must document their choice to do so in their state policy manual and make the manual available to CMS upon request. [Read More](#)

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### **CMS Releases 2025 SSI, Spousal Impoverishment and Medicare Savings Program Resource Standards**

CMS released an informational bulletin with the 2025 Supplemental Security Income (SSI), Spousal Impoverishment, and Medicare Savings Program (MSP) resource standards. Effective Jan.1, 2025, the resource standards for single and married Qualified Medicare Beneficiaries (QMBs), Specified Low-Income Beneficiaries (SLMBs) and Qualified Individuals (Qis) will be \$9,660 and \$14,470, respectively. The SSI resource standard for an individual will be \$2,000 and for a couple will be \$3,000. Effective July

1, 2024, the minimum monthly maintenance needs allowance under spousal impoverishment rules is \$2,555 in the contiguous states. [Read More](#)

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### **CMS Releases Updated Medicare Prescription Payment Plan FAQ**

CMS released an updated set of Medicare Prescription Payment Plan (MPPP) frequently asked questions (FAQ) via HPMS memo. This updated FAQ notes drugs covered through a pharmaceutical manufacturer patient assistance program (PAP) are not eligible for MPPP. However, if a Part D enrollee participating in MPPP has other covered Part D prescriptions not included in the PAP, those prescriptions would be included.

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### **HPMS memo on Submission of Supplemental Benefits Data on MA Encounter Data Records**

CMS shared via HPMS a memo to provide updates and clarifications related to submission of supplemental benefits data on encounter data records (EDRs), including updates to Supplemental Benefit Services Category (SBSC) codes for contract year (CY) 2025 and frequently asked questions (FAQs). Of note is the clarification that there is not a deadline specific to the submission of supplemental benefits data on EDRs. However, "CMS expects that MA organizations should begin submitting as soon as systems are ready and continue submitting for 2024 dates of service until all data are submitted and as with all encounter data, submit data on supplemental services on an ongoing basis."

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## **State Issues**

### **Pennsylvania**

Legislative

#### **General Election Update:**

- In the Pennsylvania House, every incumbent retained their seat. Additionally, in districts with open seats, each party held onto control, maintaining the Democrats' narrow 1-seat majority. As a result, the House remains split at 102-101 in favor of the Democrats.
- In the Pennsylvania Senate, there were notable changes with a Democratic flip in Harrisburg and a Republican flip in Northeast Philadelphia. Despite these shifts, the Republican majority holds steady at 28-22.
- Republicans swept the statewide offices, reelecting Stacy Garrity as State Treasurer and Tim DeFoor as Auditor General. Republican Dave Sunday was elected as Attorney General.

**Pennsylvania Session Update:** Both chambers are adjourned sine die with no special sessions expected to be called prior to the start of the 2025-2026 legislative session

which will start on the swearing-in day of January 7<sup>th</sup>. Both chambers met last week to finalize several pieces of legislation and to vote for leadership positions for the upcoming session.

Committee leaders and membership will be determined within the upcoming month; however, it is expected that Rep. Tina Pickett will retain her position as the Republican chair of the House Insurance Committee, and Sen. Sharif Street will remain the Democratic Chair within the Senate Banking & Insurance Committee. With the retirement of Sen. John DiSanto, a new Republican Chair for the Senate Banking & Insurance committee will be named, and with Rep. Patty Kim being elected to the Senate, taking Sen. John DiSanto's seat, a new Democratic Chair of the House Insurance Committee will be named.

**Leadership Elections:** As a result of the November general elections, there were some changes within House Leadership, especially amongst the Republican Caucus, with Leader Cutler announcing he would not seek re-election to his leadership post because of the Republicans not being able to flip a seat and regain the majority. Additionally, House Republican Appropriations Chairman Seth Grove lost his bid to retain his spot to Representative Jim Struzzi of Indiana County. For the majority, House Democratic Caucus Chair Dan Miller announced he would not seek reelection to his spot, with speculation that he will seek election to a Magisterial District Judge spot in the upcoming election cycle, with Representative Rob Matzie taking his spot in leadership.

#### **House Leadership for next session will be:**

**Speaker:** Rep. Joanna McClinton, Philadelphia & Delaware counties

**Democratic Leader:** Rep. Matt Bradford, Montgomery County

**Democratic Whip:** Rep. Mike Schlossberg, Lehigh County

**Democratic Appropriations Chair:** Rep. Jordan Harris, Philadelphia

**Democratic Caucus Chair:** Rep. Rob Matzie, Beaver County

**Democratic Secretary:** Rep. Tina Davis, Bucks County

**Democratic Administrator:** Rep. Leanne Krueger, Delaware County

**Democratic Policy Chair:** Rep. Ryan Bizzarro, Erie County

**Republican Leader:** Rep. Jesse Topper, Bedford & Fulton counties

**Republican Whip:** Rep. Tim O'Neal, Washington County

**Republican Appropriations Chair:** Rep. Jim Struzzi, Indiana County

**Republican Caucus Chair:** Rep. Martina White, Philadelphia County

**Republican Secretary:** Rep. Clint Owlett, Bradford & Tioga counties

**Republican Administrator:** Rep. Sheryl Delozier, Cumberland County

**Republican Policy Chair:** Rep. David Rowe, Snyder, Union, Juniata, and Mifflin counties

Within the Senate, there was no change amongst the Republicans in leadership positions. For the Democrats, with the retirement of Senator Fontana, Senator Collett was elected to fill his spot as Democratic Caucus Chair. Senator Collett's previous spot as Caucus Secretary was filled by Senator Steve Santarsiero. Senator Katie Muth did not seek reelection to her spot as Democratic Policy Chair, being replaced by Senator Nick Miller.

## Senate leadership for next session will be:

**President Pro Tempore:** Sen. Kim Ward, Westmoreland County

**Republican Leader:** Sen. Joe Pittman, Armstrong, Indiana, Jefferson, and Westmoreland counties

**Republican Whip:** Sen. Ryan Aument, Lancaster County

**Republican Appropriations Chair:** Sen. Scott Martin, Berks & Lancaster counties

**Republican Chair:** Sen. Kristin Phillips-Hill, York County

**Republican Secretary:** Sen. Camera Bartolotta, Beaver, Greene, and Washington counties

**Republican Policy Committee:** Sen. Dan Laughlin, Erie County

**Republican Administrator:** Sen. Lisa Baker, Luzerne, Pike, Susquehanna, Wayne, and Wyoming counties

**Democratic Leader:** Sen. Jay Costa, Allegheny County

**Democratic Whip:** Sen. Christina Tartaglione, Philadelphia County

**Democratic Appropriations Chair:** Sen. Vincent Hughes, Philadelphia & Montgomery counties

**Democratic Chair:** Sen. Maria Collett, Montgomery County

**Democratic Secretary:** Sen. Steve Santarsiero, Bucks County

**Democratic Policy Committee:** Sen. Nick Miller, Lehigh & Northampton counties

**Democratic Administrator:** Sen. Judy Schwank, Berks County

Both the Speaker McClinton and President Pro-Tempore Ward are currently in an acting capacity currently while organizing committees and referring bills as they are filed. Both will be up for reelection by the new chambers when they convene on January 7<sup>th</sup> at which point the "Acting" will be dropped.

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## Industry Trends

Policy / Market Trends

### **'Almost half' of Hospitals Failing to Comply with Price Transparency Law**

A [new report](#) by HHS's Office of Inspector General (OIG) finds widespread failure among hospitals to comply with federal price transparency law.

**What they're saying:** "An HHS inspector general's report found that **almost half of 100 surveyed hospitals weren't fully complying** with CMS' hospital price transparency rule," *Axios* [reports](#).

- "Many hospitals are not publishing their prices in accordance with the price transparency law, a federal watchdog's new report found ... **Some hospitals have said they'd rather pay the fines than comply with the law**," *Modern Healthcare* [reports](#).

**Why this matters:** With health care spending projected to account for almost 20% of the American economy by 2027, “Congress designed the 2021 law to help consumers and researchers use pricing data to slow health care cost growth,” *Modern Healthcare* notes.

- **With hospital costs now accounting for [over 40 cents of every dollar](#) Americans pay for health care premiums**, health plans are using all the tools at their disposal to shield Americans from soaring hospital costs while providing access to high-quality health care as affordably as possible.
- Bipartisan site-neutral reforms are being considered to address hospital billing practices.

**Go deeper:** Read the full OIG [report](#), and [learn more](#) about where Americans’ commercial health care premiums go.

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### **Uninsured Rate at 7.6%, CDC Reports**

7.6% of Americans, or 25.3 million people, had no health insurance between April and June 2024, according to a report released by the Centers for Disease Control and Prevention (CDC). During that time, period, 39% of Americans had healthcare coverage through a public health program like Medicaid, Medicare, and the Children’s Health Insurance Plan (CHIP), and 62.1% had private health insurance through job-based plans, the Affordable Care Act Marketplace, and state-based exchanges. Some individuals were covered by both public and private plans and were included in both counts by the CDC.

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**Interested in reviewing a copy of a bill(s)? Access the following web sites:**

Delaware State Legislation: <http://legis.delaware.gov/>.

New York Legislation: <https://nyassembly.gov/leg/>

Pennsylvania Legislation: [www.legis.state.pa.us](http://www.legis.state.pa.us).

West Virginia Legislation: <http://www.legis.state.wv.us/>

For copies of congressional bills, access the Thomas website –  
<http://thomas.loc.gov/>.

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