

Is Regulatory Relief Coming with Trump Administration?

By Susan Saldibar

One of the questions looming for health care providers these days is what will happen to the ever-evolving Bundled Payments for Care Initiative (BPCI) and all these demonstration projects?

Of course, opinions of these programs tend to differ, based on whether you are a services provider or a post-acute care provider, such as a skilled nursing facility. But as preparations to repeal and replace the Affordable Care Act continue (albeit somewhat fractiously), we can anticipate, at the very least, a thorough review of the current programs and probably changes as well.

Mark Besch, VP of Clinical Operations for <u>Aegis Therapies</u> (a Senior Housing Forum partner), was in Washington D.C. a couple months ago, at an industry hearing, and brought back with him some insider thoughts as to how these programs are doing and what changes might be in store with the new administration.

Could the Trump administration bring some regulatory relief to senior care providers?

Steve caught up with Mark for one of his Conversations video chats. Steve pointed out that, from a regulations standpoint, maybe it's good to get a fresh start from scratch. The new Trump administration, now with Secretary of Health, Tom Price, at the helm, could be an agent for change.

Mark agrees. From what he's hearing in D.C., we could see the easing up of some of the more burdensome regulations. And, there may be more opportunities for industry providers to have a greater voice in making recommendations that could put everyone in a stronger position across the board.

Mandatory bundled payments; a good thing? Or, not so good?

The talk turned to bundled payments and demonstration projects. Mark reported that, generally speaking, he regards them somewhat favorably. However, under Price's influence, there may be some scaling back. This could come in the form of limitations on the size and scope as well as removal of any mandates.

So how successful have these demonstration projects been? It may be too early to tell, as some of the five-year projects have yet to conclude. In Aegis' world, projects include the large extremity joint replacement bundle. From Mark's perspective, early indications show that money is, in fact, being saved, without negatively impacting quality. In fact, he's witnessed some improvements.

25% reduction in cost to Medicare. But will that number hold?

Mark cited a recent study, published about a project initiated by a hospital, outside the joint replacement bundle, but in concert with the Centers for Medicare and Medicaid Services (CMS). With about two years of data under their belts so far, they've shown about a 25% reduction in cost to Medicare (for large extremity joint replacement patients). If that number holds, that could be good news.

"Our own experience indicates that, in redesigning the way we deliver care from a rehab perspective, together with our partner facilities, we are seeing shorter lengths of stay in skilled nursing facilities, and in any given setting," Mark reports. "Again, it's early in terms of the five-year project, but I think the indications are pretty positive," he added.

And, actions by CMS indicate that the organization, itself, needs more time to review the latest bundled payment programs. On March 20th, they announced that roll out has been delayed from July 1st to October 1st of this year.

So how much has the bundled pricing model impacted your organization? Are demonstration projects advantageous?

Time will tell how all this pans out. It will be interesting to see how a new administration approaches these programs. A bit of fresh air and fresh thinking might do it some good.

This article was written from content taken from two Conversations videos: <u>Regulation Under Trump</u>, and <u>Bundled Payments and Demonstrations</u>.





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