AMERICAN ACADEMY OF OPHTHALMOLOGY®

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Retina Community Q&A: Getting Your Practice Back to Capacity

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Sponsored by Academy and AAOE®

May 6, 2020

Disclosure

- No speaker has any relevant financial disclosures or relationships.
- Drs. Glasser and Repka are AAO Consultants.

Webinars

- Previous webinars
  - Focus on Medicare Advance Payments and Relief Funds
  - Focus on EIDL and PPP
  - Focus on future legislative efforts, PPP, Relief Funds, and Medicare Advance Payments
- Information is fluid.
- All are available for video viewing a few days after presentation. This slide deck should be available the next morning. We intend to use questions to develop additional fact sheets.

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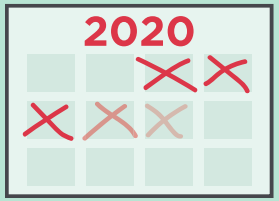
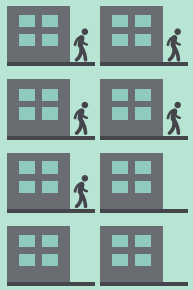
Ophthalmic practices anticipate being closed 3 to 5 months

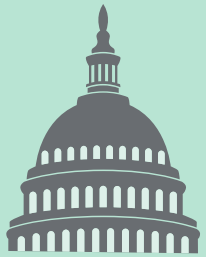




s have furloughed or laid off staff

Vision Is At Risk

As our nation addresses the coronavirus pandemic, ophthalmologists want to ensure that patients with potentially blinding eye disease have access to the care they need now and in the future. Ophthalmologists, particularly those in private practice, have been deeply affected by COVID-19. They are seeing only urgent cases. This decline in patient volume has forced practices to lay off and furlough staff, including physicians. Practices are pursuing federal assistance, but much more is needed to avoid significant consequences to patient care. Ophthalmology practices, many of which are small or run by solo practitioners, need more resources now to ensure that they remain viable.



89% of practices have applied for payroll protection loans

In the absence of substantive federal grants or loans

6% of ophthalmologists will stop practicing

The American Academy of Ophthalmology is doing regular pulse surveys of members to monitor the effects of COVID-19, develop resources and advocate for assistance.

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Congressional Actions on COVID-19

- COVID Responses 1-3.5
  - First two bills addressed the emergency/government response:
    - Nearly $11 billion in emergency government funding
    - Access to telehealth services
    - Expanded paid and family medical leave benefits
  - The CARES Act and Paycheck Protection Program and Health Care Enhancement Act (>$2.4T):
    - Mitigating job losses
    - Assisting with negative economic impacts
    - Replenishing funding for new and expanded small business loan programs
    - Additional provider relief grant funding
- COVID 4 and beyond?
  - Bipartisan agreement on need for additional legislation
  - Disagreement over what should be in it

Assistance for Physician Practices – COVID 4

- Academy working to secure additional assistance for ophthalmology practices
- Immediate Relief for Practices:
  - Direct financial assistance
    - Ensure all physicians have access to provider relief grants from CARES Act
    - Immediate Relief for Rural Facilities and Providers Act (H.R. 6365/S. 3559)
  - Medicare Accelerated and Advance Payment Program
    - Urging CMS to reopen program
    - Securing fixes to lower interest rates/longer repayment period
  - Additional funding/improved flexibility for small business loan programs

Assistance for Physician Practices – COVID 4

- Long-Term Recovery Assistance for Practices:
  - Relief from 2021 E/M policy changes by:
    - Applying scheduled E/M value increases to post-op visits
    - Averting cuts due to new add-on code by waiving budget neutrality
  - Extend relief from Medicare sequestration payment cuts through 2021
  - Implement a positive physician update

- Academy grassroots campaign:
  - https://www.votervoice.net/AAO/campaigns/73474/respond

CARES Act Financial Relief Loans & Advances

The CARES Act created, expanded, and provided funding for financial relief programs that are available to ophthalmologists.

1. Paycheck Protection Program
2. Economic Injury Disaster Loans
    - $10K Economic Emergency Advance for those who apply for EIDL
3. CMS Accelerated and Advance Payment Program
4. CARES Act Provider Relief Funds

Paycheck Protection Program (PPP)

- The PPP received $350 Billion through the CARES Act, with an additional $310 Billion in second round.
  - COVID 3.5 - Paycheck Protection Program and Health Care Enhancement Act
- 8 weeks of payroll/costs eligible for forgiveness if meeting employee retention requirements
- 75% of forgiven portion of a loan must be for payroll costs, 25% non-payroll (rent/mortgage, utilities) during the covered period
- Any portion not forgiven is carried forward at 1.00% interest

Applying for PPP Loan

- The PPP loans are available through SBA-approved lenders, major banks, and others approved by Treasury/SBA.
- https://www.sba.gov/paycheckprotection/find

Access to PPP Loans Remains Issue

- The initial round of funding for PPP loans ran out on April 16th, many ophthalmology practices were not successful during initial funding period.
  - Second round nearly out of funds
  - Academy survey data showed an overwhelming % of respondents applied for these loans.
- It is unclear how many practices obtained PPP loans, we know that many practices (small & large) did not receive them during initial funding.
- Better experience for those using small/medium sized bank in community, especially if they already had existing lending relationship.

Loan Forgiveness under PPP

- Depends on activity and certain measurements taken during the “covered period,” i.e. the 8-week period after the lender disburses the PPP loan proceeds.
- Reductions in FTEs between Feb 15, 2020 and April 26, 2020 can be “cured” and will not reduce the amount of loan forgiveness if, by June 30, 2020, the borrower has eliminated the reduction in the number of FTEs.
- Reductions in salary between Feb 15, 2020 and April 26, 2020 can be “cured” and will not reduce the amount of loan forgiveness if, by June 30, 2020, the borrower has eliminated the reduction in the salary or wages of such employees.

Economic Injury Disaster Loans & Advance

- The CARES Act expanded EIDL's to provide financial assistance to small businesses impacted by COVID-19, pending legislation also provides funding increase for EIDL program
  - ran out in mid-April
- Borrowers applying for EIDL can request emergency $10,000 advance
  - Apply through SBA
- Loans not eligible for forgiveness
  - Interest rate of up to 3.75%

$10K Emergency Advance of EIDL

- Borrowers applying for EIDL can apply for up to $2 million, including a $10,000 advance. ($1000 per employee up to 10)
- $10,000 advance does not need to be repaid, even if EIDL applicant is denied (Special Rules Apply for those who also get PPP loan)
- This advance to be issued within 3 business days of applying for EIDL

CMS Accelerated and Advance Payment Program

- $51B in advance payments to Hospitals and Physicians
  - Program currently halted
- To assist in immediate cash flow needs
- Request from MACs – repay within 210 days from grant (recoupment or remittance) or loan at 9.625%

CMS Provider Relief Fund

David Glasser, MD
Secretary for Federal Affairs

Provider Relief Fund: First $30 Billion

- Portion of $100 billion CARES Act allocated to hospitals, healthcare providers
- Eligibility: almost all providers, facilities with 2019 Medicare FFS payments
  - No application required: payment is automatic
  - Attestation requested through HHS portal
  - Outright grants, not loans: do not need to be repaid
- 6.2% of 2019 Medicare FFS payments sent to billing organization per TIN
  - Announced April 10, ACH funds distributed by UHG April 13-24, checks later
  - Funds go to TIN that billed in 2019. 1 provider, 2 TINs = separate payments to each.
  - Based on all Part B receipts, including drugs
  - Remittance advice: HHSPAYMENT

Why Part B Medicare FFS Payments?

- Those with minimal Medicare FFS in payer mix will see little relief
  - Pediatric and oculoplastic ophthalmologists
  - Areas with high Medicare Advantage penetration
- Payments to those using Part B drugs reflect previous drug dollars
  - Still providing injections on an urgent or emergency basis
  - Higher immediate cash-flow needs despite continuing to bill for Part B drugs
- CMS used Part B payment data – more concerned with speed than accuracy
- Academy advocated for a more inclusive process, and continues to do so
  - Provider Relief Payments are a small part of the relief program
  - Remaining funds from CARES, future COVID legislation will distribute differently

PRF T&C First $30 Billion: Eligibility and Use of Funds

- Deemed to have accepted T&C if funds retained 30 days w/o contacting HHS
- Recipient = healthcare provider, individual or entity. Requirements:
  - Billed Medicare in 2019
  - Took care of *any* patients after January 31, 2020. Eligible even if shut down since.
  - Isn't terminated, excluded, or had billing privileges revoked by Federal programs
  - No "surprise" balance billing for out-of-network COVID-specific care
- Use of Provider Relief Fund Payment
  - Health care related expenses or lost revenues due to COVID = almost anything
  - Not allowed: expenses or losses paid from other sources
  - Limit: $197,300 maximum salary reimbursement per person from these funds

PRF T&C First $30 Billion: Records and Reporting

- All recipients must report “to ensure compliance.” Details TBA.
- Recipients of >$150,000 must report quarterly in greater detail, and in compliance with Federal Funding Accountability and Transparency Act

<u>What Counts</u>

- Provider relief fund payments
- EIDL grants
- Forgiven portions of PPP loans

<u>What Doesn’t Count</u>

- Advanced payments
- EIDL loans
- Unforgiven portions of PPP loans

KEEP METICULOUS RECORDS

PRF T&C First $30 Billion: Other Legal Restrictions on Use of Payment

- No lobbying
- No political donations
- No gun control advocacy
- Limitations on abortion payments
- Limitations on needle exchange funding
- No embryo research
- No promotion to legalize controlled substances
- No funds to ACORN
- No propaganda
- No confidentiality agreements, NDAs
- No payments to those owing Fed tax
- No payments to felons
- No chimpanzee research
- No human trafficking
- Whistleblower protections apply
- No online networks unless pornography blocked

Provider Relief Fund: Next $20 Billion

- Available only to those who received first-round PRF distribution
  - Excludes those with no Medicare FFS billings
- Requires attestation and application via HHS portal
  - 2018 gross receipts (all-payer revenue)
  - Estimate of March and April 2020 operating losses
  - Most recent corporate tax returns
- Estimate of second-round distribution:

2% of 2018 all-payer revenue – first-round distribution

My Second-Round Estimate Is Negative?!?

- Web page for first-round attestation says call UHG: no second distribution
- Varying anecdotal reports of UHG response
  - They took my information and told me nothing.
  - They told me that based on my April/May losses, I would be getting more money.
- Will HHS seek recoupment of overpayment?
- How will they know my 2018 all-payer revenue if I don't attest/apply?
  - I already applied; can I withdraw my application?

PRF T&C Second $20 Billion

- Deemed to have accepted T&C if funds retained 30 days w/o contacting HHS
- Eligibility, use of funds, prohibitions largely unchanged from first distribution
- Added to reporting requirement for all: 2018 general revenue data
- Public disclosure of PRF payments: may allow estimate of gross receipts

How To Attest, Apply, Report

- Web portal for $30 billion first distribution attestation:

  https://covid19.linkhealth.com/#/step/1

- Web portal to attest/apply for $20 billion second distribution:

  https://covid19.linkhealth.com/docusign/#/step/1

- United Health Group PRF Hotline: 866-569-3522
  - Questions about program
  - Report missing, under- or over-payments, first distribution > 2% of 2018 all-payer revenue
  - Need to return the money – disagree with Terms and Conditions, ineligible

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Cherie McNett

Director, Health Policy
AAO Washington Office

Regulatory Relief - PA

- In 2017, the Academy launched a regulatory relief campaign
- Current Membership: 13 Physician Specialty Associations
  - Actively Engaged in Policy, Lobbying, Grassroots/Marketing
  - All Working Toward the Same Goal Using Various Means
- Initial focus was on relief from 2018 performance penalties for Medicare quality improvement programs (PQRS, EHR MU, Value-based Modifier
- Now focused exclusively of reducing MA plan Prior Authorization

Coalition Members

American Academy of Neurology

American Academy of Ophthalmology

American Academy of Orthopaedic Surgeons

American Association of Neurological Surgeons

American College of Cardiology

American College of Rheumatology

American College of Surgeons

American Gastroenterological Association

American Society of Clinical Oncology

American Urological Association

Congress of Neurological Surgeons

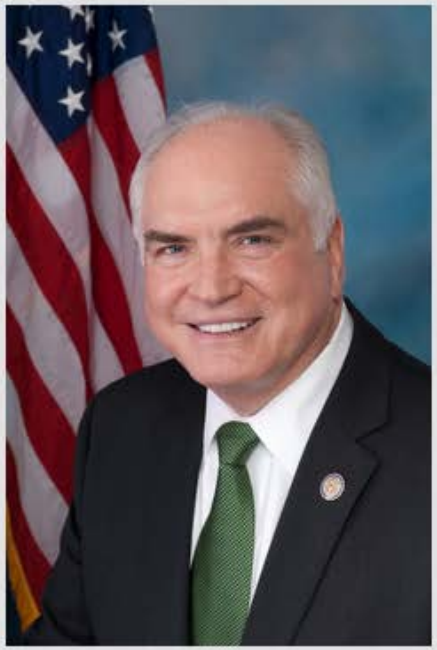
National Association of Spine Specialists

Society for Cardiovascular Angiography & Interventions

Lead Sponsors of H.R. 3107

Lead Sponsors

Suzan DelBene
Washington, 1st District



Mike Kelly
Pennsylvania, 16th District

Roger Marshall
Kansas, 1st District

Ami Bera
California, 7th District

HR 3107

- This bipartisan bill aims to increase transparency and reduce costly burdens in Medicare Advantage's prior authorization process. It would:
  - Minimize the use of prior authorization for routinely approved services;
  - Establish an electronic prior authorization mechanism;
  - Ensure prior authorization requests are reviewed by qualified medical personnel;
  - Require regular reports from Medicare Advantage plans on their use of prior authorization and rates of delay and denial; and
  - Prohibit the use of prior authorization for medically necessary services performed during pre-approved surgeries or other invasive procedures.

HR 3107

- Now officially has 204 co-sponsors up until the Congressional COVID hiatus.
- Hill visits continue virtually with Members and the staff of relevant Committees
- There have been key discussion about inclusion of the provisions in future COVID legislation
- Seeking additional House sponsors during our upcoming Virtual Advocacy Day.

Patients Over Paperwork

- Seema Verma announced in early 2019 she would be looking at Prior Authorization as part of her Patients over Paperwork burden reduction initiative
- The Academy was invited and participated in 4 different “listening sessions”
- Dr. Glasser and Dr. Friedman presented in person
- CMS followed up specifically with health plans imposing burdens for AMD treatments in Florida
- More recently, examples were provided to Mrs. Verma’s office on Step Therapy/PA issues that are obstacles to the care for patients during COVID

Addressing Prior Authorization/Step Therapy Burdens

- Continued CMS OUTREACH
- On March 27 Coalition sent a letter to CMS Calling for Prior Auth Relief During Pandemic LINK TO LETTER
- APRIL 21 CMS UPDATED GUIDANCE Merely Urges Plans to Waive Burden of Prior Auth., Right Direction, Need Requirement
- The Academy working with RRC is seeking follow up calls with CMS Officials

Addressing Prior Authorization/Step Therapy Burdens

- In early March, CMS gave Medicare Advantage plans flexibility to waive prior authorization requirements during COVID19 pandemic including:

  - MA Plan Prior Authorization – CMS encouraged plans to consider waiving or relaxing "prior authorization requirements" to facilitate access and create less burden for beneficiaries, plans, and providers."
  - Part D Plan Prior Authorization – CMS encouraged Part D plans to consider waiving or relaxing prior authorization "requirements at any time for other formulary drugs…to facilitate access and create less burden for beneficiaries, plans, and providers."

Addressing Prior Authorization/Step Therapy Burdens

- On April 21st, CMS reiterated in a communication to plans regarding the COVID pandemic regarding this added flexibility:
  - Medicare Advantage Organizations may choose to waive or relax plan prior authorization requirements at any time in order to facilitate access to services with less burden on beneficiaries, plans, and providers.
  - We encourage plans to consider utilizing this flexibility.
- Part D
  - Sponsors can also choose to waive or relax PA requirements at any time for other formulary drugs in order to facilitate access with less burden on beneficiaries, plans, and providers.

Addressing Prior Authorization/Step Therapy Burdens

- STATES & PLANS

  - RRC Sent Letters to All Governor's and Insurance Commissioners Urging Waiver of Prior Authorization
  - Finalizing Open Letter to All Insurers Calling for Prior Authorization Relief
  - At least 9 states have restricted commercial plan use of PA during this public health crisis
  - Louisiana prohibited all PA for any COVID related treatment or testing and also prohibited step therapy for any purposes.

Addressing Prior Authorization/Step Therapy Burdens

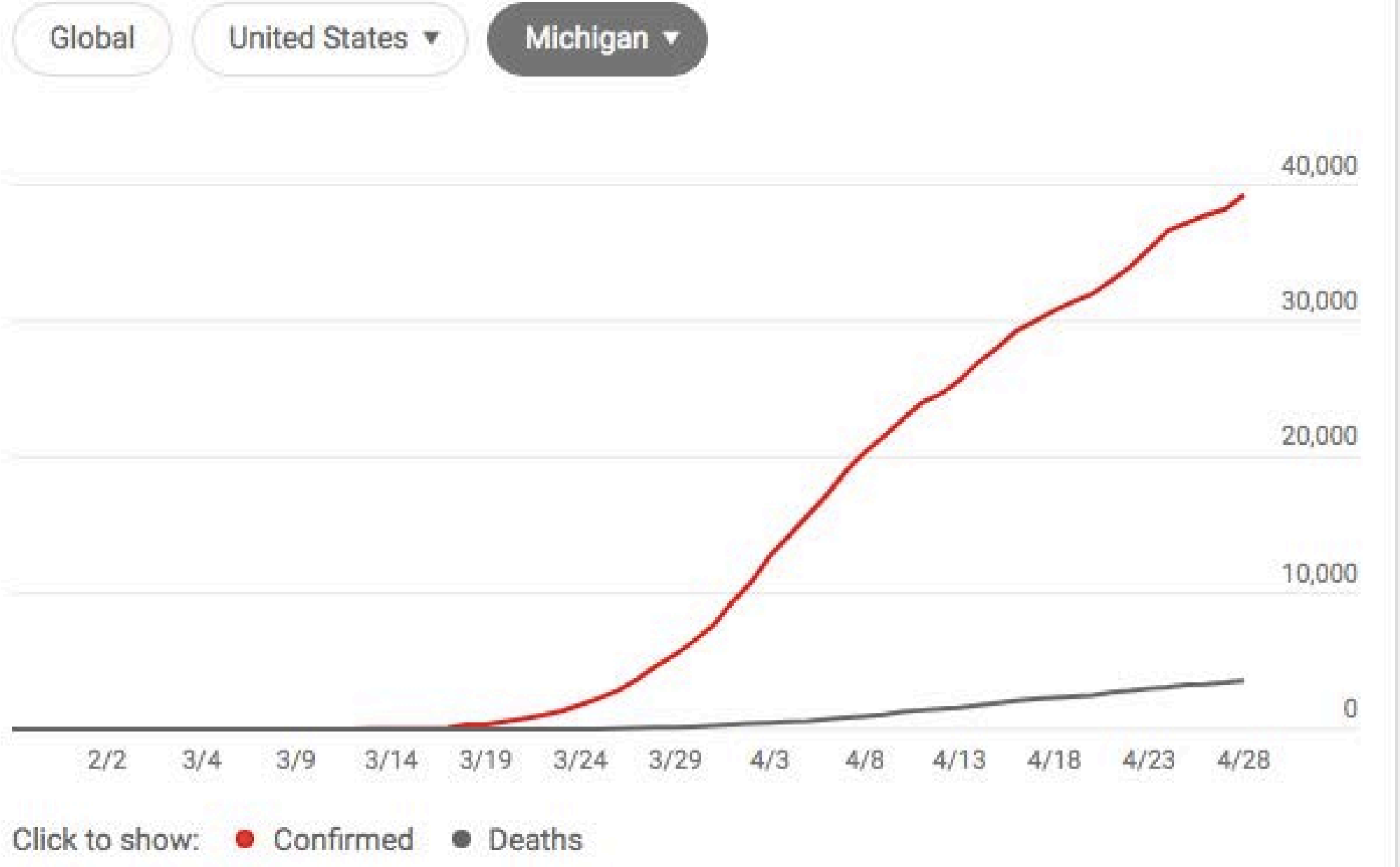
- Academy actions:
  - Urging continued CMS action to provide immediate relief
  - Spearheaded regulatory Relief Coalition letter with 13 national specialty organizations
  - Bringing congressional pressure on CMS
  - Joining other specialty organization efforts
  - Taking the case directly to states and plans

The Fight Continues

- Retina specialists/others are reporting that they are still encountering PA/step therapy barriers when treating urgent patients during this pandemic
- Five examples recently shared with CMS including one from Admin Verma's home state of IN
  - A retina practice wanted to treat a patient with a longer duration drug option but was unable to get Prior Authorization from United Health plan and had no more free samples of the longer duration drug on hand. Patient was therefore treated with a shorter-term drug that required no PA and will have to return sooner increasing risk for the elderly patient for COVID.
- Please continue to share examples with Academy

Perspectives on Reopening: An Altered Definition of Capacity

George A. Williams, MD
AAO, Past-President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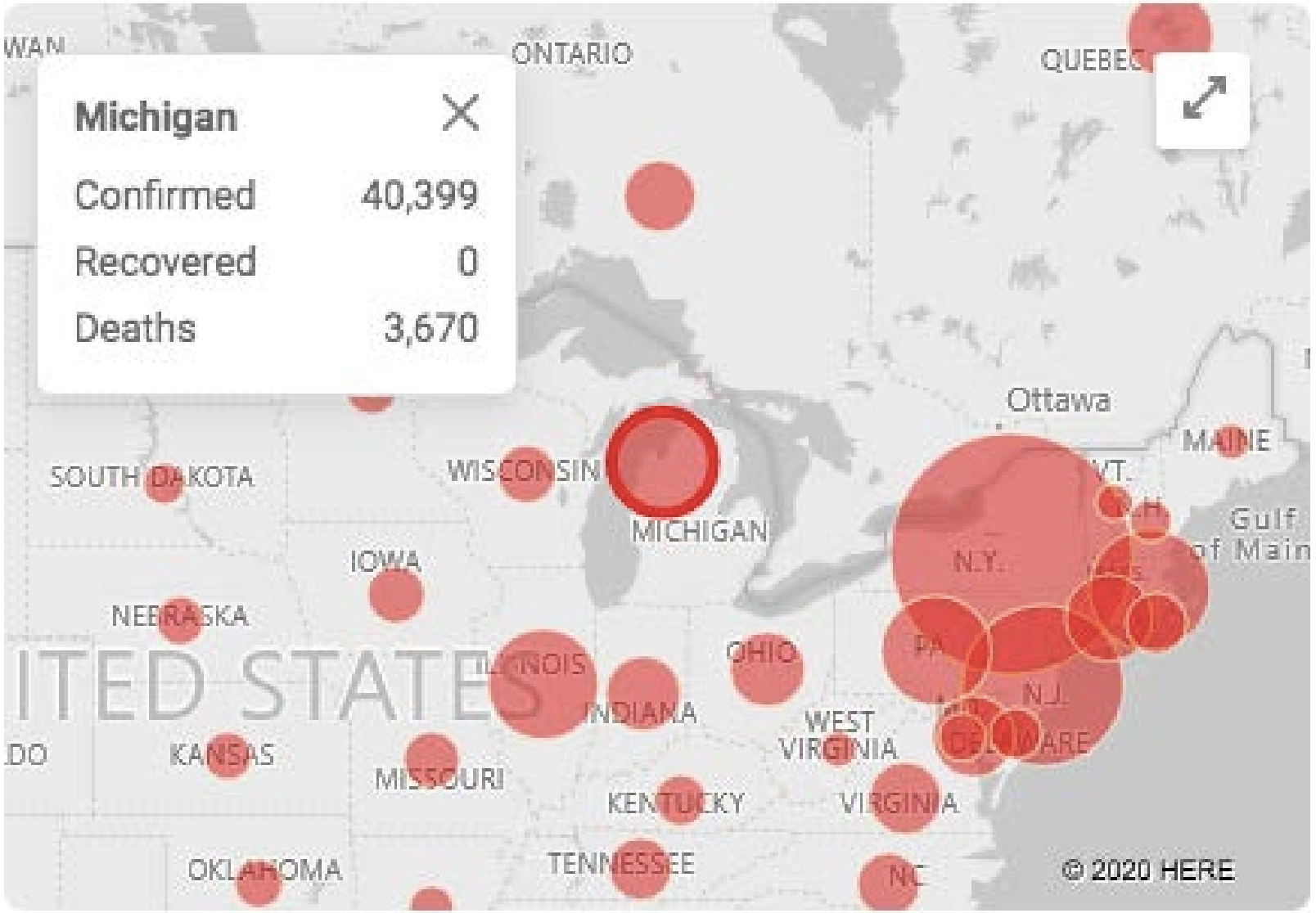
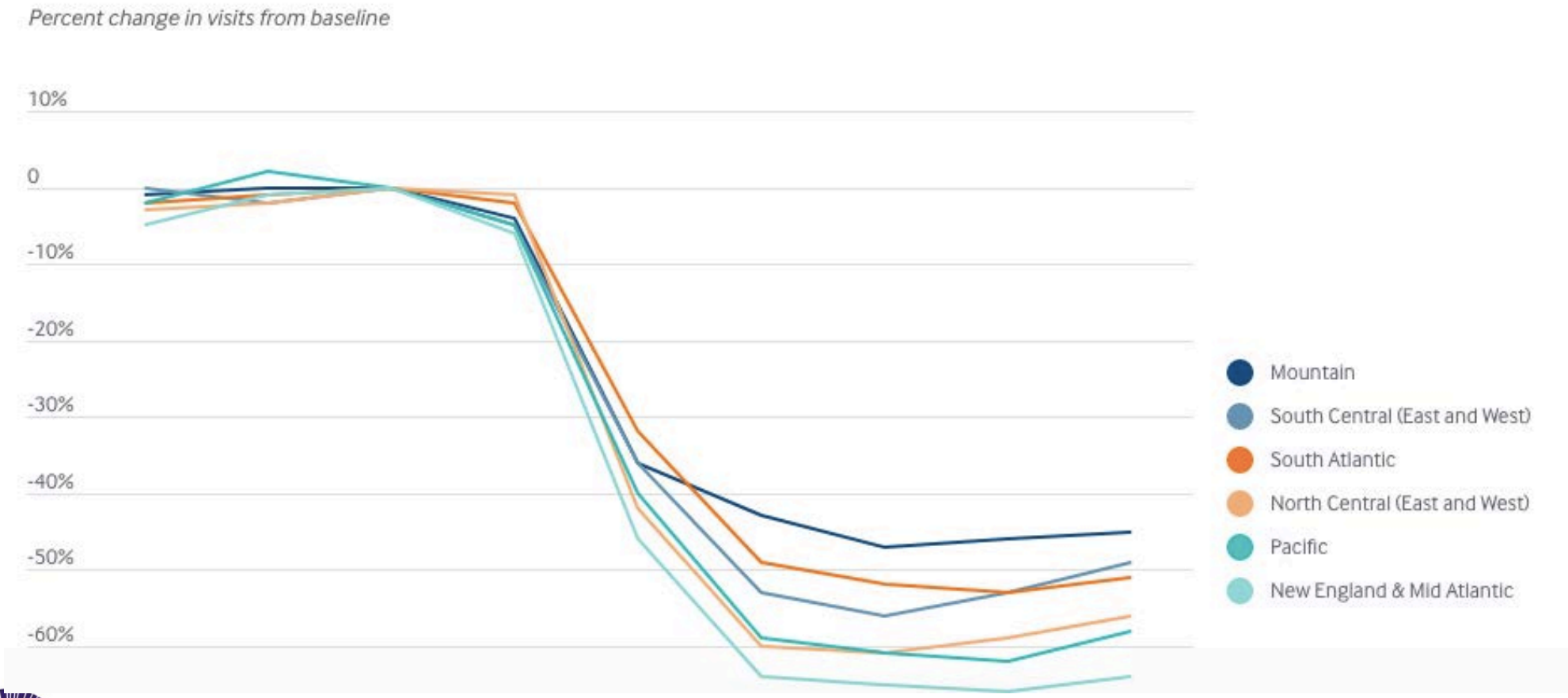
Click to show:
Confirmed
Deaths

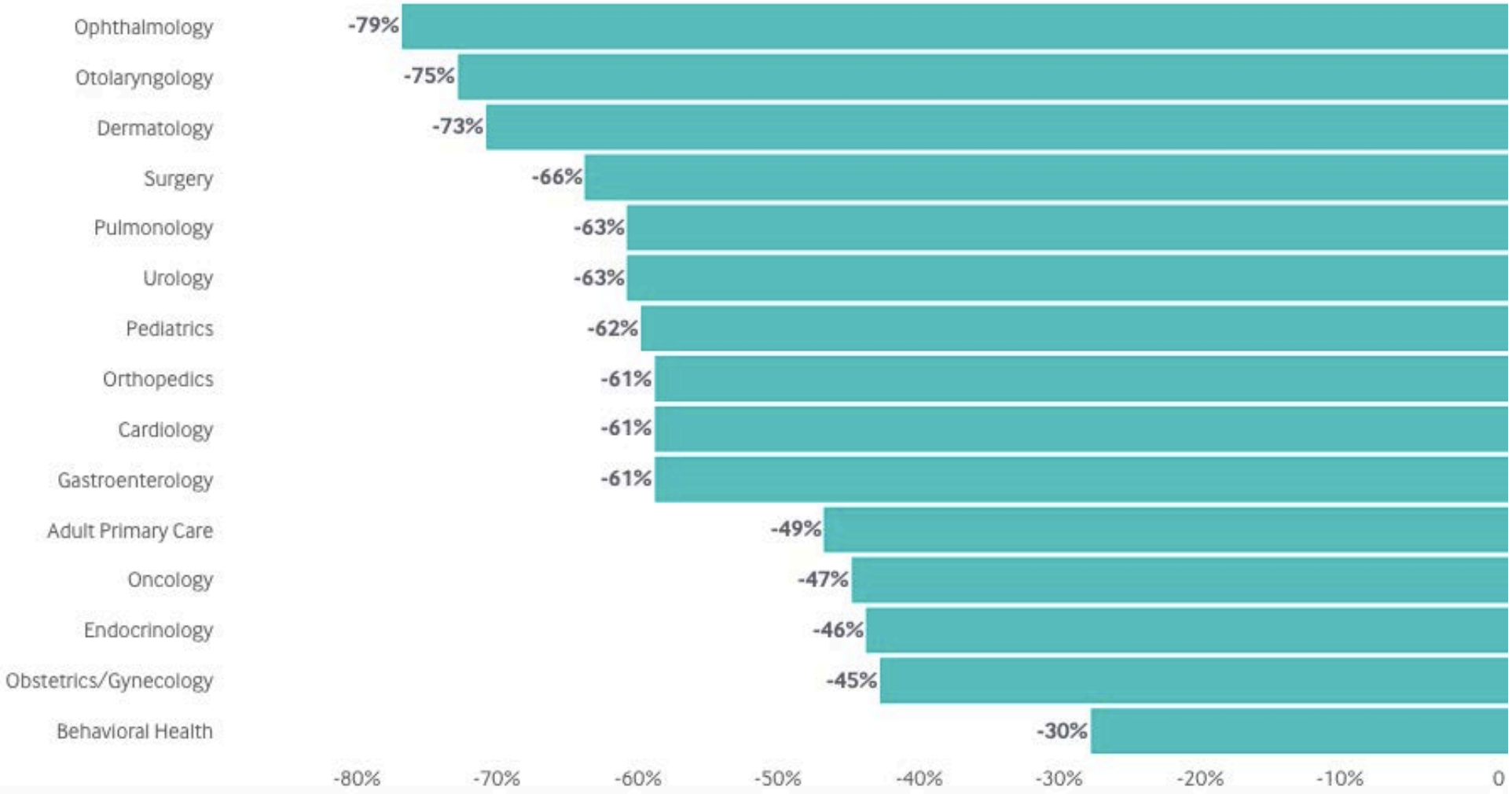
Confirmed cases



Dramatic declines in the number of visits, observed in all regions of the U.S., were greatest in New England and the Mid-Atlantic states.



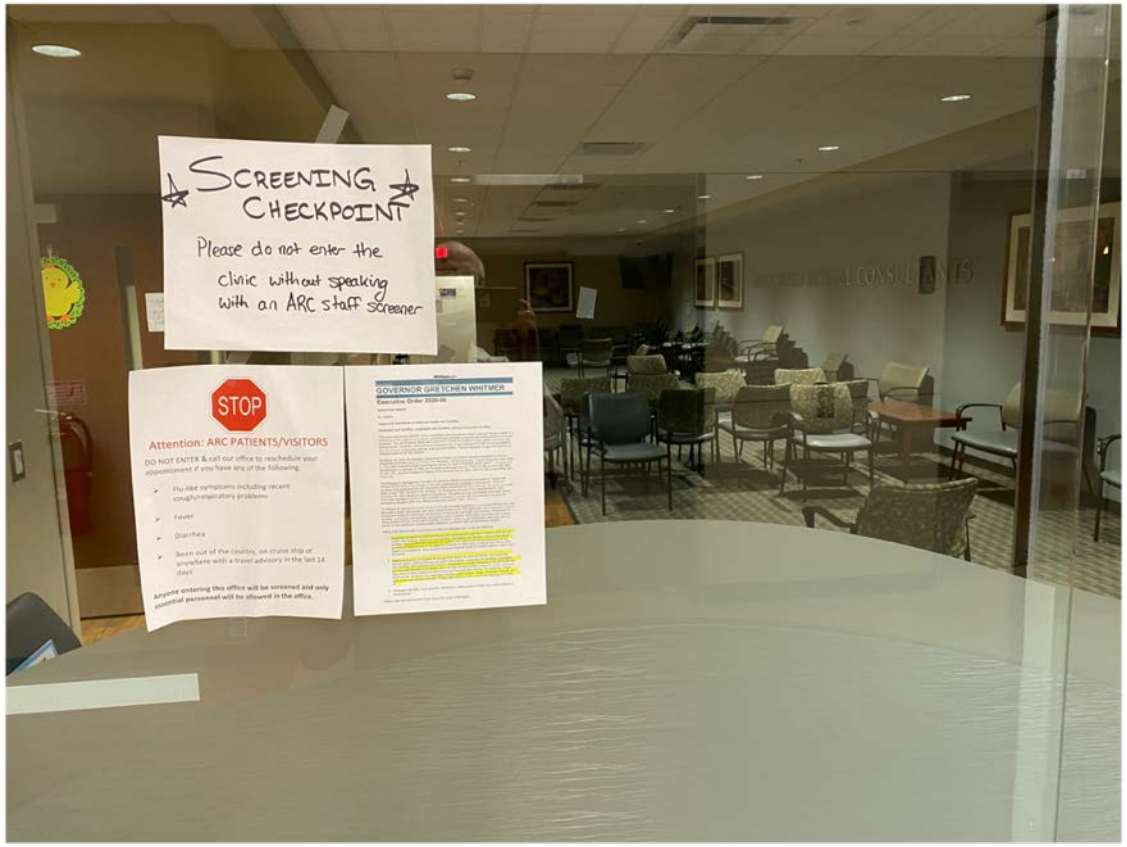
Percent change in visits from baseline to week of April 5



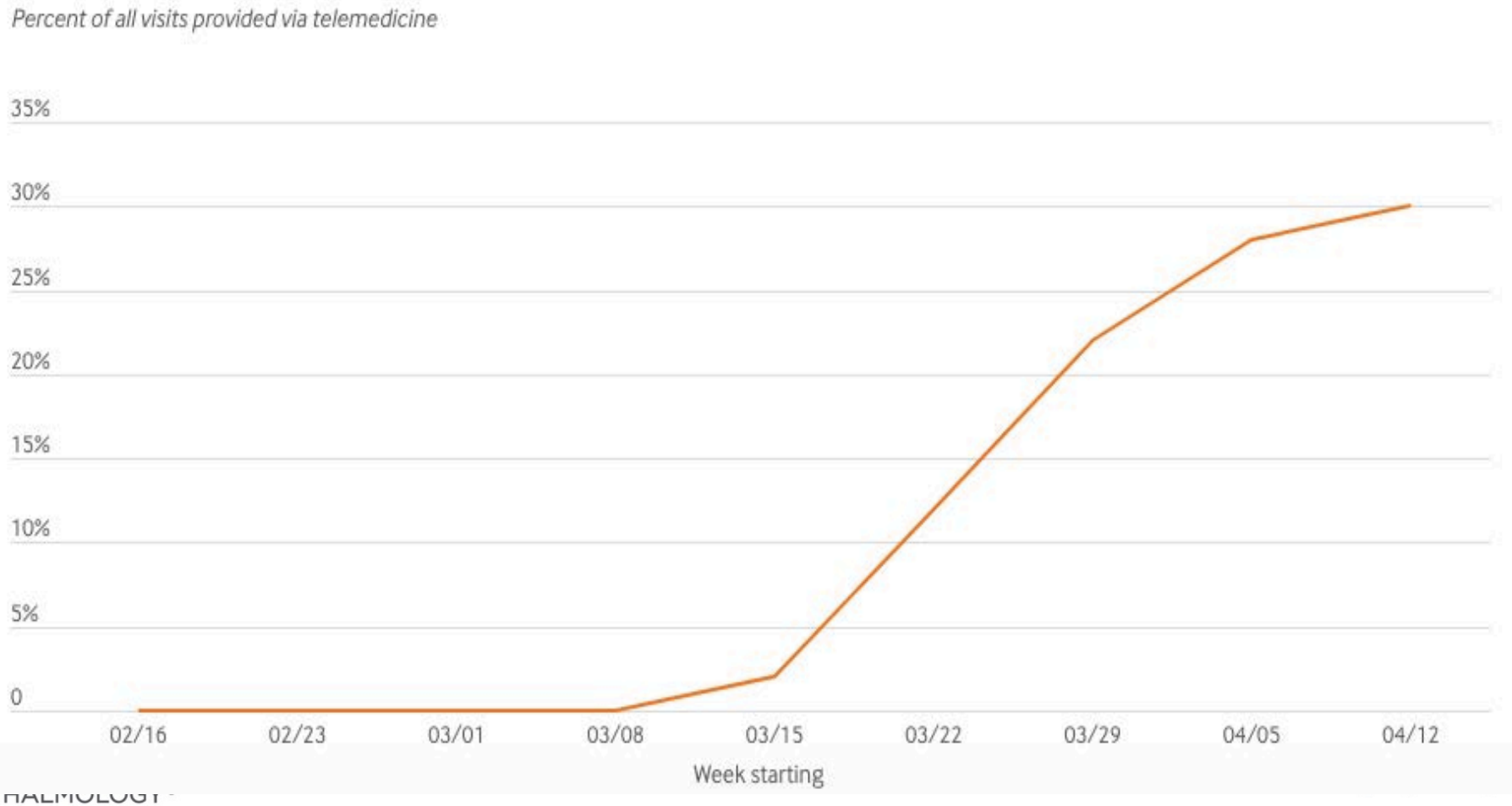
Clinical Practice in the COVID-19 Era

- PPE for doctors, staff and patients
- Maximize social distancing
- Minimize time in the office
- Only essential testing
- Virtual waiting rooms
- Virtual scribes

Social Distancing



Nearly 30 percent of all visits at these ambulatory practices are now provided via telemedicine.



Telemedicine regulatory expansion likely to extend beyond COVID-19

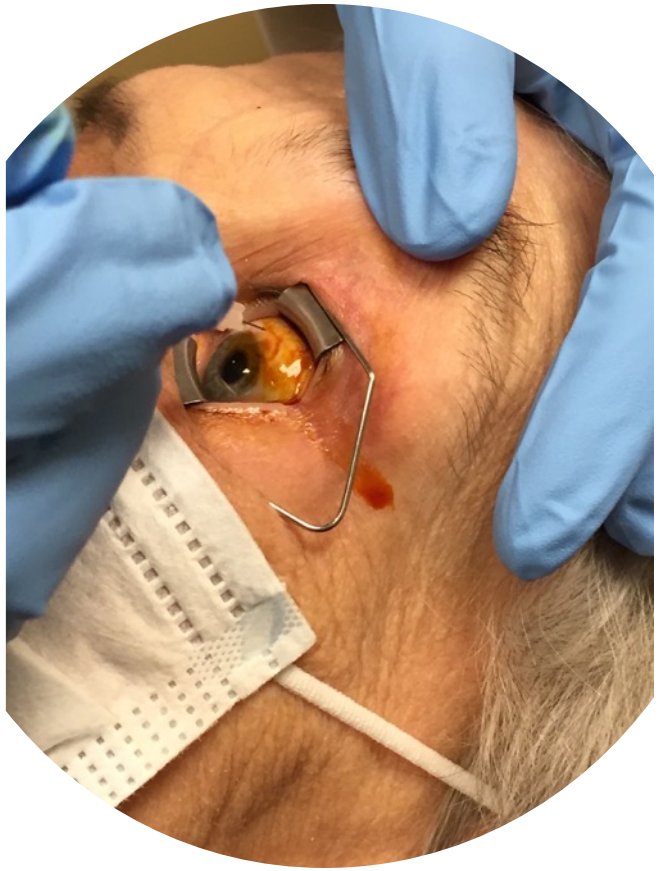
Academy, Federal Agencies Issue Telehealth Guidance

Surgery

- 90% drop in overall surgical volume
- Only emergent, essential cases
- Operating rooms and post-operative recovery areas converted to ICUs
- Operating staff to ICUs
- COVID screening pre-op
- General anesthesia

Injections

- Minimal imaging
- Short visits minimizing patient contact with staff
- Extending intervals with telemedicine contacts
- Consider longer acting medications

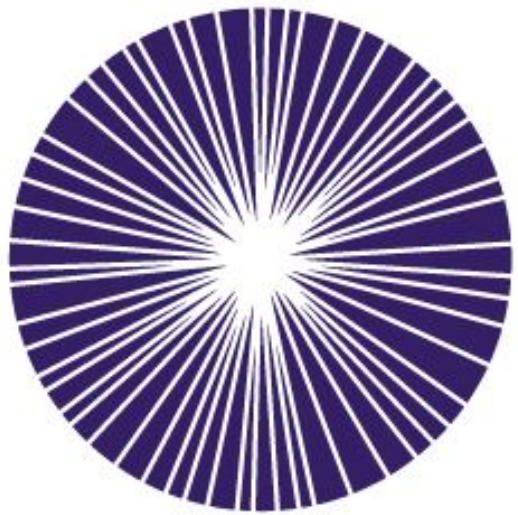


Post COVID-19

- Retinal and ophthalmology practices will never be the same
- Post pandemic retinal practice will be a continuing exercise in social distancing and PPE for the foreseeable future
- The days of packed waiting rooms and extended waits for imaging or examination are over
- New approaches such as virtual waiting rooms, virtual scribes, telemedicine and home-based testing will redefine our practices

Q&A

- During this Webinar submit questions through the Electronic Platform
  - Avoid the Chat function and use Q&A
- Submit additional questions to: healthpolicy@aao.org
- We intend to update Q&A with new/revised answers as we are able and as program details become clearer.



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