



THE IMPACT OF THE END OF THE PUBLIC HEALTH EMERGENCY

HFMA Spring Institute

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Speakers



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Speakers





RECAP OF PHE

Recap of PHE

- PHE Declared – January 2020
- CARES Act – March 2020
 - Provider Relief Funds
 - FEMA Funding
 - Uninsured funding
 - Telemedicine
 - Employee Retention Credit
- American Rescue Plan – March 2021
- End of PHE – May 11, 2023
- HHS has waived or modified almost 200 regulations
- HHS processed 250k 1135 waivers

ROLLBACK OF PHE

Vaccines, treatment and testing

- Vaccines
 - Commercial insurance – vaccines are generally considered a preventative health service for most commercial insurance without a co-pay, however co-insurance or out of network providers could result in out of pocket expenses.
 - Medicare Part B – will cover the vaccine with out cost sharing
 - Medicaid – will cover the vaccine without co-pay or cost sharing until 9/30/24
- Treatment
 - Commercial insurance – generally covered the same way as other treatments
 - Medicare– generally covered the same way as other treatments
 - Medicaid – will cover the vaccine without co-pay or cost sharing until 9/30/24
- Testing
 - At home testing no longer covered
 - Medicare Part B will cover tests that are ordered by a provider
 - Medicaid will cover until 9/30/24 and then state by state

Emergency Use Authorizations

- The ending of the COVID-19 PHE will not affect the FDA's ability to authorize various products, including tests, treatments, or vaccines for emergency use. Existing EUAs for COVID-19 products will remain in effect under Section 564 of the Federal Food, Drug, and Cosmetic Act, and the agency may continue to issue new EUAs going forward when criteria for issuance are met.



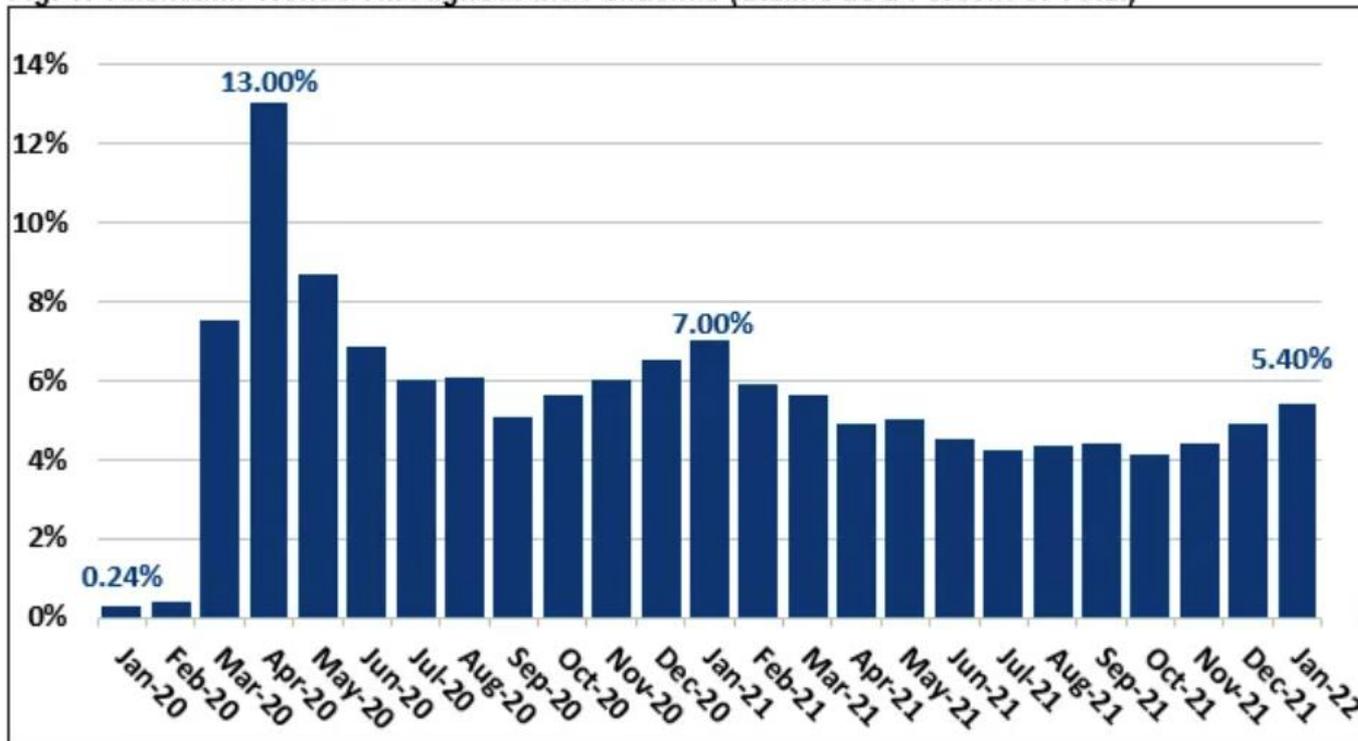
Telehealth

- Congress passed the Consolidated Appropriations Act of 2023 which will extend Medicare's coverage of telehealth through the end of 2024
- Medicaid is more state specific, Minnesota to stop coverage of audio only on July 1



Telehealth

Fig. 1: Telehealth Trends Throughout the Pandemic (Claims as a Percent of Total)



Source: FAIR Health Monthly Telehealth Regional Tracker.

Telehealth

Based on a recent CBO score of a five-month extension of pandemic authorities, permanent expansion could cost Medicare alone **\$25 billion** over ten years, even without expanded use.³ As telehealth use grows, there is the potential for even greater costs in both federal health care programs and the private sector.



Medicaid Redetermination

A STATE-BY-STATE LOOK AT MEDICAID REDETERMINATIONS

An estimated 5 million people will lose Medicaid coverage once states resume eligibility checks. Health insurance companies could lose billions of dollars.

Estimated Medicaid redetermination impact

- < 15% losing Medicaid
- 15% to 20% losing Medicaid
- 20% to 25%
- > 25%

CLICK A STATE TO VIEW DETAILS



Minnesota

Estimated percentage losing Medicaid: **29.6%**

Number: **383,000**

Top managed care organizations

For industry leaders and others, total enrollment and market share:

UnitedHealth:	30,145
	1.3%
Other:	2,222,015
	58.7%

- Impact of losing Medicaid patients:
 - 340B impacts
 - DSH and other reimbursement impact
 - Increase in self pay
 - Increase in ACA plans

Medicaid Redetermination

WHERE WILL EX-MEDICAID ENROLLEES RECEIVE COVERAGE?

People removed from Medicaid during the redeterminations process this year must find replacement coverage. This is where they're projected to go.

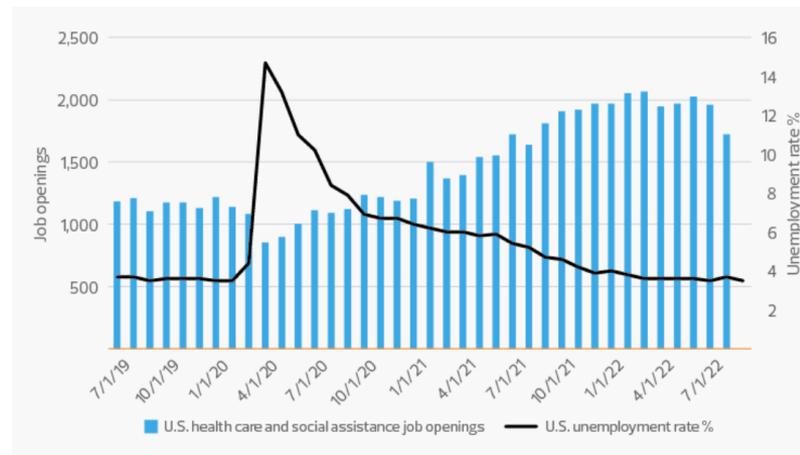
The list below is interactive: **Sort** by clicking on the column headings, or **look for your state** using the search box. You can also **choose to view** more at a time with the "Show entries" box.

Show entries

Search:

State	Losing Medicaid	employer insurance %	% uninsured	% CHIP	% exchanges	
+	Maryland	251,000	52.1%	21.0%	17.0%	7.3%
+	Massachusetts	349,000	55.5%	17.7%	13.7%	9.2%
+	Michigan	538,000	56.2%	20.6%	13.8%	6.5%
+	Minnesota	383,000	51.8%	19.8%	13.5%	8.2%

U.S. health care and social assistance job openings tracked against unemployment rate



Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey (JOLTS); RSM US LLP

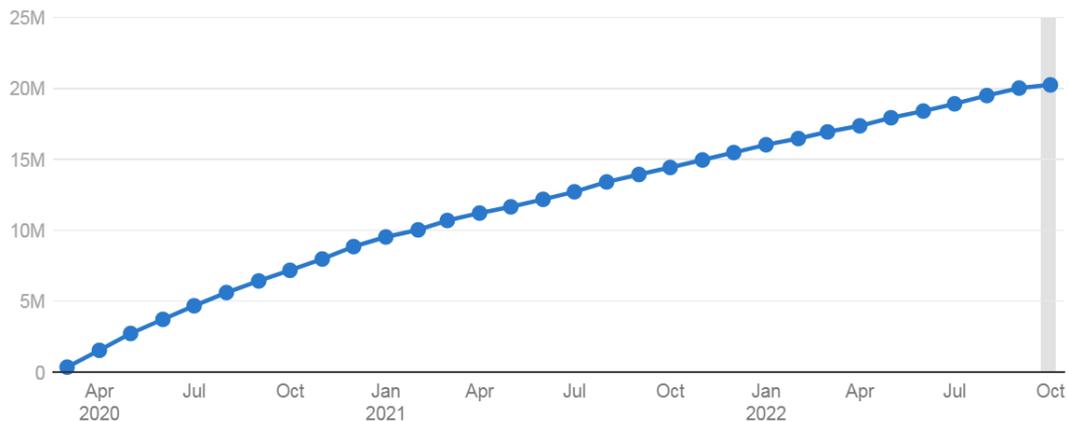
Medicaid enrollment

Figure 1

Medicaid/CHIP Enrollment Has Increased Since The Start Of The Pandemic.

Cumulative Change In Medicaid/CHIP Enrollment Since February 2020

Change % Change



NOTE: M = Millions. The shaded area represents preliminary data for October 2022, which are subject to change in subsequent enrollment reports; all other months are based on updated enrollment reports. These data differ from those reported in monthly "Medicaid & CHIP Enrollment Snapshots" published by CMS, which report preliminary data for all months. Medicaid/CHIP enrollment reports are submitted monthly by state Medicaid agencies, reflecting enrollment on the last day of the month. With each update, states often revise data for the previous month(s) to better align with reporting criteria, such as including retroactive enrollment or other criteria. February 2020 (baseline) enrollment was 71,097,415 in the updated enrollment report.

SOURCE: CMS, Medicaid & CHIP: Monthly Application and Eligibility Reports, last updated January 31, 2023. • PNG

KFF

Waivers expiring

- Hospitals with out walls
- ASC that temporarily re-enrolled as hospitals
- Expanded ability to offer long-term care services
- CAH limit on beds and 96 hour stays
- Sole Community Hospital Status market share and bed requirements
- Medicare Dependent Hospital requirement of 100 beds or fewer, 60% Medicare requirement



Other items expiring

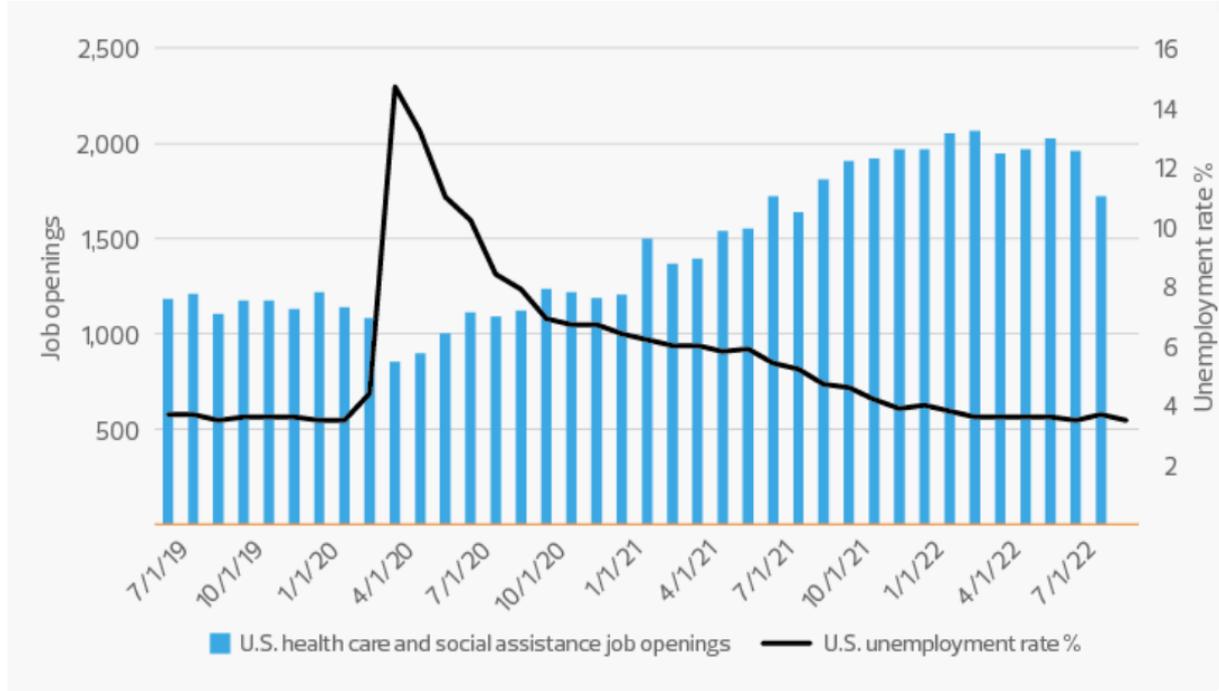
- Enhanced payment for Medicare in-patient
- Stark Law waivers
 - Could pay above or below FMV for personal services, rentals, or equipment from a physician (or their immediate family)
 - Hospitals could provide benefits to their medical staff, such as multiple daily meals, laundry service to launder soiled personal clothing, or child care services while the physicians were at the hospital and engaging in activities that benefited the hospital and its patients.



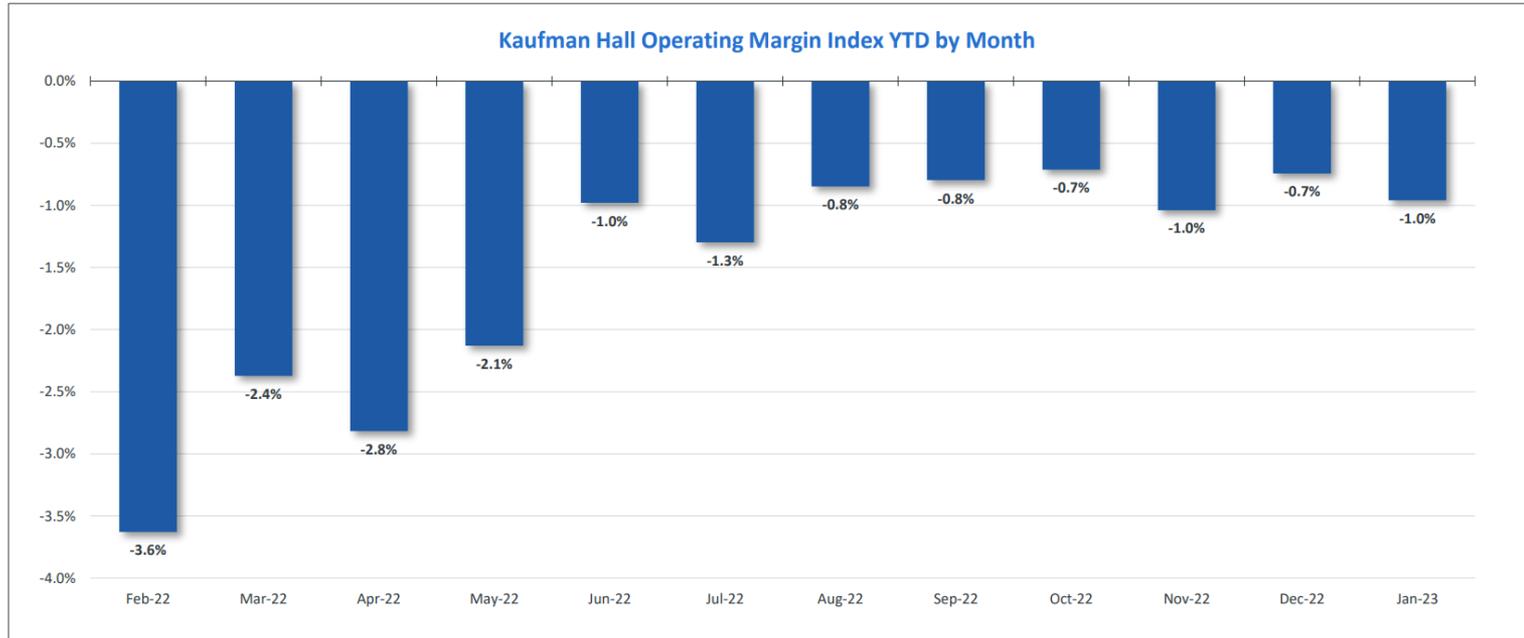
OTHER IMPACTS

Labor environment

U.S. health care and social assistance job openings tracked against unemployment rate

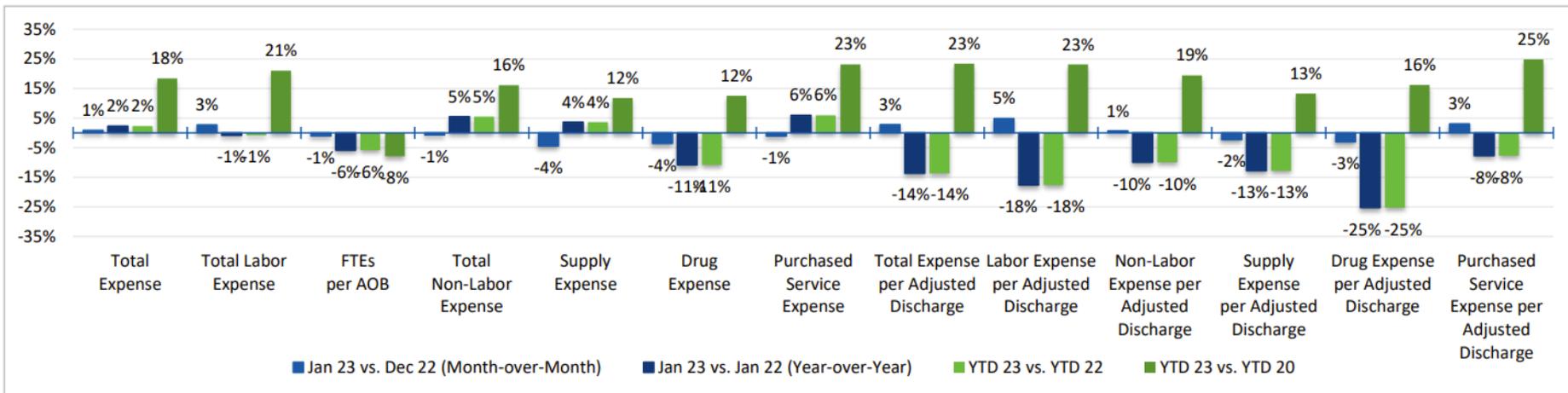


Operating Margin



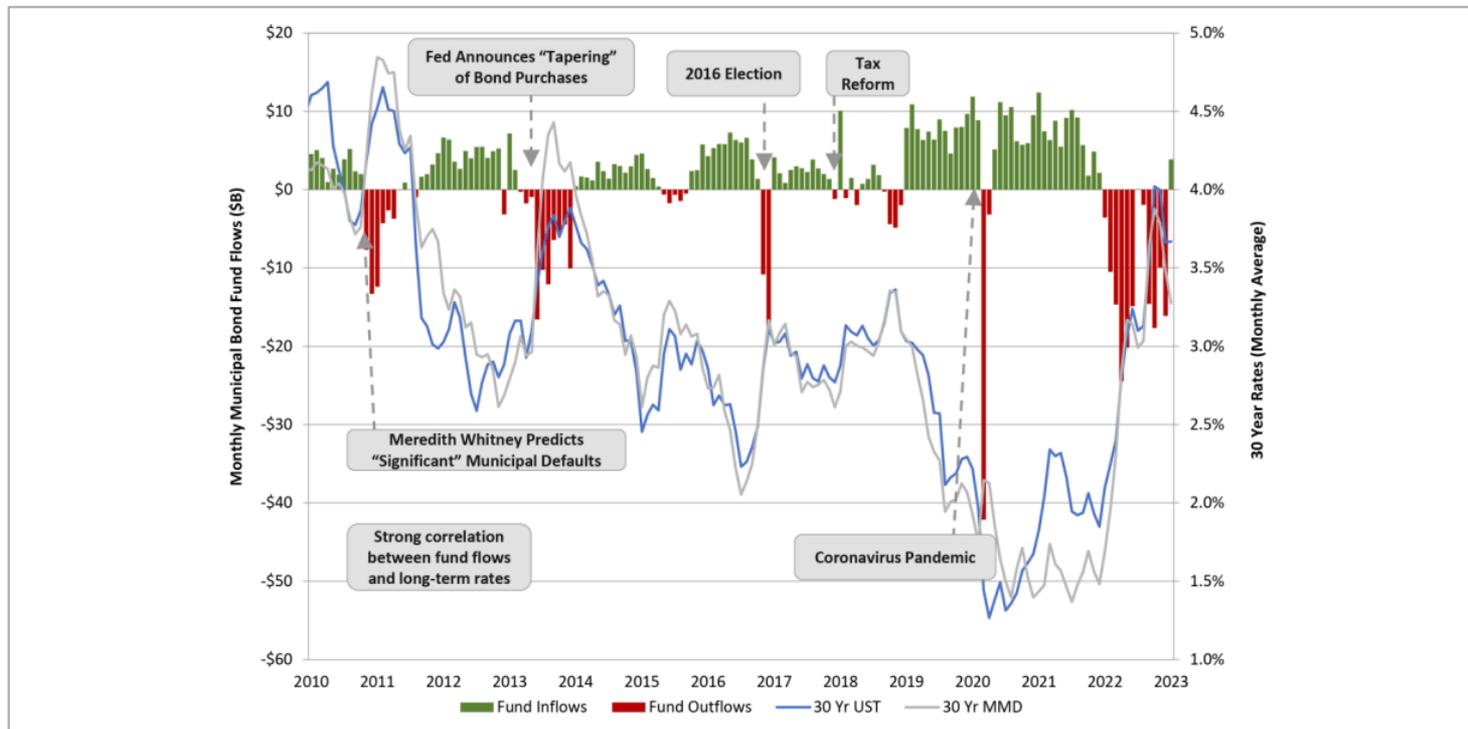
Kaufman Hall, National Hospital Flash Report (February 2023)

Inflation



Interest rate

Long Term – Monthly Municipal Bond Fund Flows with 30-Year U.S. Treasury and 30-Year MMD



Q&A