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Strategic Advisory Group: Project Updates

Advocacy Update

CMS Updates

As you know, your lobbying efforts in November of last year ultimately led to our getting a mention in the CMS Medicare Physician Fee Schedule publication in June of this year.

This "mention" highlights Urgent Care as a solution to ED overcrowding, and requests information from stakeholders and the public on how their role might be further expanded and supported.

For us, of course, this means payment reform.

In UCA's response to the RFI (guided by our strategy developed with McDermott+) we are proposing a new Place of Service Code for "Enhanced Urgent Care", plus a G-code that could be billed by such locations to cover the costs of the capacity we maintain.

This approach is, we believe, the fastest, cleanest path to our goal. By leaving POS 20 intact we allow for "non-enhanced" Urgent Cares to remain as-is (eliminating a lot of instant contractual upheaval in the industry) but provide a pathway for higher reimbursement for those that want to take it.

The definition we proposed is based on POS 20 and only adds in specifics (that the majority of the industry already are doing, they just aren't spelled out in POS 20). We do not anticipate accreditation being a requirement – that is not part of any other POS definition and beyond the scope of what CMS requires. Here's the proposed definition (new is underlined):

> *Location, distinct from a hospital emergency room, an office, or a clinic, <u>that operates during and outside of typical business hours, provides diagnostic (both radiography and laboratory) and therapeutic (both surgical and nonsurgical) services,</u> and whose purpose is to diagnose and treat illness or injury for unscheduled, ambulatory patients seeking immediate medical attention.*

Assuming we can get CMS to take up this activity, we (and McDermott+) will work with them to craft this language, the G-code criteria and calculation for the add-on reimbursement. There's a lot more to come and none of it is guaranteed, but we are optimistic about the possibilities in this approach.

The Assembly in Miami, FL

SAG Meeting Summary

In July, about 15 members of the Strategic Advisory Group met in Miami to discuss 3 topics with external experts:

The architecture of the future of healthcare with Daryl Tol from General Catalyst, payer relationships with Stephen Friedhoff (via pre-event zoom) and UC business models with Brian Parro from McKinsey.

Takeaways:

Architecture of the future of healthcare delivery – there's nothing REALLY transformative/disruptive happening in the healthcare space. Our thinking is too embedded in/wedded to the status quo to be able to truly disrupt ourselves. Private equity is partly fueling this because it forces us to focus on the short term vs. long-term experimentation (long-term is required; it took us 100 years to get here so it will likely take us decades to get somewhere really new). Daryl had a great metaphor: it's like someone took a box of puzzle pieces and scattered the pieces and burned the box top. Everyone is so in love with their piece that we aren't working hard enough to put the puzzle together, so no one has a compelling enough agenda to make stakeholders willing to transform (let go of their piece). Our biggest challenge is our own thinking.

Payer Relationships & Business models– we discussed current challenges, focusing on what particular techniques payers are using today to close/narrow networks, deny claims and lower/stagnate reimbursement. These were compiled and an article is planned to add transparency to what's happening (for the public). The group also shared techniques for negotiation that used to work but no longer do (ex. going out of network) and a few potential opportunities (self-insured). The group continues to wish for an audience with payer representatives, so we'll work on that for Dallas in 2025. We also discussed plotting a heat map of SAG locations to see where there's overlap.

Lastly, we evaluated the idea of an opportunity for vendors to do pitch meetings (new products, directions, branding, etc.) with members of the SAG during Convention. This would allow SAG to shape the vendor products/marketplace and provide valuable feedback to vendors, and open opportunities for investment/pilot programs at SAG member discretion

Next Meetings

2024 – Q4 Virtual TBD

February 4-6 2025 – Capitol Hill Advocacy Day

May 4-7, 2025 – Urgent Care Convention & Foundation Celebration

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