

ANESTHESIA MONTHLY



CMS Projects Health Spending To Grow 5.6% Annually Next Decade

National health spending is projected to grow 5.6% annually over the next decade, according to a recent CMS report.

The new numbers affirm several previous projections from government economists that spending growth would accelerate because of insurance expansion under the Affordable Care Act, an aging population and expensive new drugs.

The study does not, however, take into account the uncertainty the Trump administration brings to the healthcare sector and how the GOP's plans to elimi-

nate ACA provisions like premium subsidies and Medicaid expansion might affect spending. "The scope, timing, and impact of such possible changes on health spending and health insurance coverage are all uncertain at this time," the authors wrote.

The first two years of the projected period are expected to be the slowest periods of spending growth—4.8% in 2016 and 5.4% in 2017. That reflects an expected decrease in spending by Medicaid, Medicare and private insurers as enrollment slows. Medicare spending is expected to grow 5.9% in 2017 and 7.6%

in 2025. Medicaid spending is expected to grow by 3.7% in 2017 and 5.9% in 2025. In 2018 and beyond, however, healthcare spending is expected to accelerate, especially for Medicaid and Medicare.

A rise in spending on prescription drugs will be influenced by the increased use of expensive specialty drugs, growing by 6.4% in 2025. That's slower than the 9% growth recorded in 2015, which was driven by the use of expensive hepatitis C drugs and brand name drugs that have since gotten competition from cheaper generics.

Ultrasound-Guided Regional Anesthesia Superior To IV Opioids

Ultrasound-guided regional anesthesia appears to be the superior treatment for supracondylar fractures in the pediatric population when compared with IV opioids. According to a recent pediatric study, regional anesthesia for closed reduction and percutaneous pinning demonstrated superior pain scores throughout hospitalization and at home when compared with standard therapy.

The authors also reported decreased opioid consumption and a smaller range of pain scores in patients who received an ultrasound-guided block under general anesthesia.

"The regional anesthetic technique we performed in this small patient cohort seemed to be a superior treatment to IV opioids, as defined by superior pain scores, a smaller range of pain scores and de-

creased opioid consumption when compared between groups," said Chris Darrel Glover, MD, MBA, as-

"There was also higher satisfaction reported by parents and families... We're hoping that this will further increase the utilization of regional anesthesia in the pediatric population."

sociate professor of pediatrics and anesthesiology at Baylor College of Medicine and chief of the Division of Community Anesthesia Services at Texas Children's Hospital, in Houston. "There was also higher satisfaction reported by parents and families. In this prospective, double

-blind, randomized controlled trial, Dr. Glover and his colleagues compared pain scores and perioperative outcomes between ultrasound-guided regional anesthesia of the brachial plexus and IV opioids for children undergoing reduction of supracondylar fractures. The researchers approached over 339 patients with American Society of Anesthesiologists physical status class I or II between January 2011 and September 2015, and randomly assigned 115 patients for comparison.

"When you look at the length of time it took us to recruit these patients, this was a labor of love from a committed group of care providers," Dr. Glover observed. "We're hoping that this will further increase the utilization of regional anesthesia in the pediatric population," Dr. Glover added.

111 Continental Drive

Suite 412

Newark, DE 19713

203-530-4548

mstewart@periop.com

Are You Ready For MACRA?

By Kimberly Flayhart, Periop Client Manger, CMPE, CPC

**Meet Periop
At An
Upcoming
Conference!**
March 11-12:
**NJSSA Annual
Meeting**
**New
Brunswick, NJ**

Are you ready for MACRA, the Medicare Access and CHIP Reauthorization Act of 2015? MACRA has two tracks to pick from: Merit-Based Incentive Payment System (MIPS) and Advanced Alternative Payment Models (APMs). This Medicare payment reform is designed to help lower the cost of health care, while delivering better quality and improving health outcomes. It creates a more comprehensive value-based framework for payment and combines different quality-based measures into one system. MIPS makes three important changes to how Medicare pays those who provide care to Medicare beneficiaries:

- Ending the Sustainable Growth Rate (SGR) formula for determining Medicare payments for health care providers' services.
- Making a new framework for rewarding health care providers for giving better care not more just more care.
- Combining existing quality reporting programs into one new system.

The MIPS performance period is January 1, 2017, to October 1, 2017. The default track for all providers is MIPS track, which has small incentives however ultimately is enough to avoid a downward payment adjustment of your Medicare 2019 payments. Providers that chose the MIPS track will earn a composite performance score based on three categories with a fourth category to be calculated later. The last measure to come into play later is the cost measure.

The quality outcomes are the familiar clinical quality measures and replace Physician Quality Reporting System (PQRS) however similar measures and expectations for reporting by each eligible clinician.

- The cost measures will be phased into the payment later.
- Clinical Practice Improvement Activity is a new category focused on better processes in nine areas. Each activity has "all or nothing" scale for scoring.
- Advancing Care Information/Use of Health IT– This is the most complicated category.

About The Author

Kimberly Flayhart has over 25 years of coding, compliance, practice management and business intelligence experience. Before joining Periop, her past positions included 22 years as a Associate Administrator for University of Maryland Anesthesiology Associates, P.A.

Will CMS' Decision To Extend Non-ACA Compliant Plans Help The Market?

The Trump administration will allow insurers and consumers to extend for an additional year individual and small-group health plans that do not comply with the Affordable Care Act's coverage rules. The insurance industry lobbied for the grandmothing extension. But some experts say it will hurt efforts to stabilize the individual market and moderate rate hikes by letting healthier people stay in plans outside the ACA-regulated insurance pool. The recent CMS guidance allows grandmothers plans to operate until Dec. 31, 2018 at which time they must end.

It's estimated that fewer than one million people currently remain in grandmothers individual-market plans in the three dozen or so states that still allow them. The rest of the states, including California and New York, already halted the sale of non-ACA compliant plans to strengthen their ACA-regulated markets.

Ceci Connolly, CEO of the Alliance for Community Health Plans, which represents not-for-profit insurers, said over the long-term it's important to get more healthy people into the general insurance pool. "But given the confusion and uncertainty in Washington over (healthcare reform)," she added, "we believe reducing disruption is important to consumers." Tim Jost, an emeritus law professor at Washington and Lee University who supports the ACA, took a different view. "It's hard to see how this contributes to the stability of marketplace coverage, although it is apparently what the insurers want," he said. "The policy is consistent with giving states flexibility, but it does mean that some of the best risks will remain outside the standard risk pool," said Joel Ario, managing partner at Manatt Health who served in the Obama administration setting up the ACA exchanges. The healthcare industry has urged the Trump administration to take steps to stabilize

the individual insurance market while it and Congress work on repealing and replacing the ACA. Since last month, however, the administration has sent mixed messages on whether it wants to steady the ACA markets or dismantle them. Trump issued an executive order in his first week in office instructing federal agencies to go as far as they legally can go to roll back the ACA. Later, HHS issued a proposed rule intended to make the individual market more financially viable for insurers by tightening enrollment eligibility and easing some administrative burdens on insurers. That was in response to warnings by plans that they might exit the market at the end of this year, potentially causing millions of Americans to lose coverage. Premiums for non-ACA compliant plans may be cheaper than for compliant plans because they presumably have healthier members who signed up when insurers were still allowed to screen people for pre-existing medical conditions.