



American Orthotic & Prosthetic Association

www.AOPAnet.org

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**October 19, 2017**

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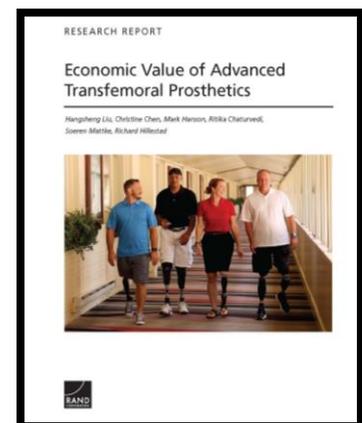
**Watch Today's RAND Report Presentation**

AOPA organized a press event today at the National Press Club on the RAND Corporation Report. As part of AOPA's Prosthetics 2020 research initiative, we commissioned the RAND Corporation to produce a value simulation: the "Economic Value of Advanced Transfemoral Prosthetics", which concluded that microprocessor-controlled knees compared significantly improved quality of life for minimal additional cost.

To share this important research with payers and members of Congress, AOPA has organized an event. We invited Dr. Soren Mattke from RAND, Dr. Ken Kaufman, PhD of the Mayo Clinic, and several prosthetic users to present the findings of this soon-to-be-published research and discuss the "tech gap" limiting access to advanced technology. We livestreamed the event and you can access that on our Facebook pages:

<https://www.facebook.com/AmericanOandP/>

<https://www.facebook.com/mobilitysaves/>



**Read the RAND Study**

## U.S. Congressman Steve Stivers Visits WillowWood

U.S. Congressman Steve Stivers received a first-hand look at new prosthetic technology Monday during a visit to Ohio-based WillowWood, a fourth-generation, family-owned prosthetic manufacturing company.

With the healthcare policy of recent years and the current efforts for reform, industry trade associations such as the American Orthotic and Prosthetic Association (AOPA) have been keeping a close eye on how orthotics and prosthetics would be impacted. WillowWood attended AOPA's Policy Forum this spring in Washington D.C. along with other prosthetic manufacturers, clinicians, and patient care facility owners. Congressman Stivers was invited to visit WillowWood by the company's co-owner and Director of Government Affairs, Lisa Arbogast, following the late May industry advocacy event. This was the congressman's third visit to WillowWood in the past four years.

As part of his visit to WillowWood Congressman Stivers hosted a question and answer session for the company's employees and invited industry associates. Welcoming all topics, Congressman Stivers discussed and fielded questions ranging from tax reform, investments to the nation's infrastructure, healthcare reform efforts, polarization within Congress, and his evaluation of Ohio ballot Issue 2.

"It was a great pleasure to host Congressman Stivers at WillowWood, as his time spent with our employees was invaluable," said Lisa Arbogast. "Congressman Stivers remains a great supporter of the orthotic and prosthetic industry. We look forward to working together in order to continuously initiate positive change that will improve overall quality care, assist small businesses, and address specific areas within the Medicare program."



Rep. Stivers and Lisa Arbogast



Constituents Mark Groves and Lonnie Nolt with Rep. Stivers

## Short-Term Health Insurance, End of Subsidies Paid to Health Insurers—What Does It Mean to You and Your Patients?

On October 12, President Trump undertook a non-legislative overhaul of the country's healthcare insurance program, and some significant administrative 'repeal' of the Affordable Care Act. Two major executive actions comprise this effort:

(1) clearing the path for sale of "short-term" insurance plans that do not have full ACA essential health benefits and other rules, at lower rates for healthy individuals, as well as clearing the path for sale of insurance through 'association plans' that will include sale of insurance across rate lines without meeting state license laws (parity laws from one state may not apply to plans sold by an out-of-state carrier who operates in a state that does not have parity rules). At peak, there were only about 100,000 Americans enrolled in these short-term plans, so immediate effect will probably not be dramatic. That said, this does initiate a segmenting of the market, incentivizing some healthy persons not to participate in the state-level insurance exchanges under ACA, but to gravitate to these cheaper, less robust short-term plans. If this snowballed to having much larger number of people in short-term plans it would tend to shift the risk pool in the exchanges in the direction of the unhealthier Americans, likely de facto giving them some characteristics of higher risk pools. Indirectly, persons with pre-existing conditions could find themselves relegated to the exchanges and their insurance rates would probably increase across the board without the balance of exchange participation by healthier individuals.

(2) The administration will stop providing the \$7 billion in annual, so-called CSR subsidies to health insurers to help cover the co-pays and deductibles of lower income individuals. This is facilitated because of legal challenges where one federal district court deemed these subsidies illegal. Ending the subsidies creates some hard decisions for insurers. They may: (1) continue the credits for co-pays/deductibles without collecting any off-setting subsidy payments which would result in little change in policyholder experience in the short run (some insurers already issued major hikes in 2018 rates, likely anticipating that the subsidy payments would end); (2) thirty-two states will allow insurers to levy a surcharge to offset the loss of subsidies and thereby increasing the premiums (low cost insureds will be eligible for larger tax credits essentially offsetting these larger premiums so they won't have too much pressing them to drop coverage), or (3) with subsidies unavailable, insurers are permitted to withdraw from the 2018 ACA insurance exchanges in each state over the next few weeks before annual enrollment in the ACA plans begins.

There is a timing disconnect. It will take a substantial amount of time for folks at HHS and CMS to write and implement the many new rules that will be needed to effectuate the short-term plans and association plans. So, these short-term plans will probably not be available for months or perhaps up to a year, even as the subsidy situation could push many folks from their current plans. Providers will want to take more special care that patients are enrolled and paid in their plans before delivering care. It's important to recognize that, at least in the near term, these changes will impact only a portion of the health insurance market. In the short term; employer-based plans, Medicare, Medicaid, and VA, will remain unaffected—though in the longer term the premiums for these plans may change.

There are likely to be lawsuits challenging both of these steps. Both hospitals and health insurers will oppose these steps—hospitals because it will shift many more uninsured folks into emergency rooms, and increase uncompensated care (the expense of which falls on the hospitals),

and insurers because, obviously, they want the subsidies. Look for attempts at legislation to stabilize insurance premiums.

Clearly, a time of change has been initiated that will impact providers over coming months. Depending on how health insurers respond, the results could have our health care looking more like it did before the ACA was enacted: more lower income people uninsured; sicker people potentially paying higher premiums, no assured universal essential health benefits, more people seeking care in hospital emergency rooms listed as uncompensated care, but actually with the cost of their coverage subsidized by higher costs for paying patients and cost-shifting. Can the President do this on his own? We will need to wait through a few years and watch the results on a likely bevy of litigation that will begin to unfold. One enduring fact will be that so long as the Affordable Care Act remains the law, any executive actions taken and regulations enacted by one President will be subject to the prospect of complete reversal by another President. We'll continue to keep AOPA members informed of significant developments.

### **Veteran's Administration Proposed Rule Includes Troubling Provision Restricting Veterans' Ability to Receive Care from Their Chosen Provider**

The October 16, 2017 *Federal Register* included a proposed rule published by the Department of Veterans Affairs (VA) that intends to "reorganize and update the current regulations related to prosthetic and rehabilitative items, primarily to clarify eligibility for prosthetic and other rehabilitative items and services, and to define the types of items and services available to eligible veterans. While the 48 page proposed rule will require some time to be reviewed completely, there is a provision in the proposed rule that is of immediate concern to AOPA. Page 29 of the proposed rule includes a provision regarding how prosthetic, orthotic, and other rehabilitative services will be delivered to veterans. The proposed language states the following:

***"VA will determine whether VA or a VA-authorized vendor will furnish authorized items and services under § 17.3230 to eligible veterans. When VA has the capacity or inventory, VA directly provides items and services to veterans. However, VA also may use, on a case-by case basis, VA authorized vendors to provide greater access, lower cost, and/or a wider range of items and services. We would clarify in regulation that this administrative business decision is made solely by VA to eliminate any possible confusion as to whether a veteran has a right to request items or services generally, or to request specific items or services from a provider other than VA, and to clarify for the benefit of VA-authorized vendors that VA retains this discretion as part of our duty to administer this program in a legally sufficient, fiscally responsible manner."***

This language, if finalized, will significantly restrict the ability of a veteran to see the VA contracted provider of their choice for prosthetic and orthotic care and must be addressed immediately. AOPA, its Board of Directors, and its VA Committee are reviewing this proposed change in VA policy, which appears to be almost completely contrary to longstanding VA policy regarding veteran provider choice and the intent of the Veteran's Access, Choice, and Accountability Act of 2014 which empowered Veterans to take a more active role in assuring their ability to receive convenient and timely care, whether through the VA directly or through the private sector.

Anticipating an AOPA position in opposition to this proposal, look for instructions as to how AOPA members can engage and mobilize patients on this important new proposed direction for prosthetic and orthotic care for Veterans. [Read the full text of the proposed rule.](#)

November 5-11, 2017



**What compliance resources are in the [AOPA Co-OP](#)?**

- Laws and Regulations
- Medicare Program Integrity Manual
- Medicare Claims Processing Manual
- Gifts to Patient
- Building a Compliance Plan
- Medical Device Excise Tax
- Much more, plus billing, state, and other resources

Like a Wikipedia of all things Compliance (and reimbursement, coding and policy), the Co-OP is your one stop shop! Take advantage of this new AOPA member benefit now. [Sign up for the Co-OP.](#)

Compliance

- › Laws and Regulations
- › Fraud and Abuse
  - Agencies
- › Professional Conduct
- › Patient Inducement
- › Building a Compliance Plan
- › Non-payment Regulatory
- Used Devices
- Compliance and Ethics Week

**Program Integrity Group**  
› Click here to expand...

- CMS' point of contact for program integrity issues
- Manages all enforcement activities
  - Works with the HHS OIG
  - Works with the US Department of Justice
- Assures that all benefit payments are correct.
- Identifies and monitors program vulnerabilities

**DME MAC**  
› Click here to expand...

**Medicare Pricing, Data Analysis, and Coding (PDAC)**  
› Click here to expand...

**Zone Program Integrity Contractors**  
› Click here to expand...

Use the Co-Op for all things Compliance and find more resources on AOPA's [Healthcare Compliance & Ethics Week](#) page.

**Celebrate [Healthcare Compliance & Ethics Week](#) Nov 5-11, 2017 [Access more resources on www.AOPAnet.org.](#)**

## AOPA Polo Shirts – Now for Sale

Celebrate AOPA's Centennial with us by ordering AOPA polo shirts for your office! The shirts are black with a white AOPA logo. Moisture wick, 100% polyester. Rib knit collar, hemmed sleeves and side vents. The polos are unisex but the sizes are men's M-2XXL. \$25 plus shipping. [Order in the bookstore.](#)



## Promote your Brand with AOPA's new Apparel Program



AOPA is partnering with Encompass Group, a leading provider of health care apparel to offer members special prices on customized polos, scrub tops and lab coats. Customized embroidery is available.

For more information on products and available colors, go to [www.iconscrubs.com](http://www.iconscrubs.com). Enter access code: ICON-AOPA. Then enter your AOPA member id, and create your user profile.

Contact [bleppin@AOPAnet.org](mailto:bleppin@AOPAnet.org) for additional information or call 571-431-0810.

## Upcoming AOPA Events

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| November 6-7, 2017                         | <i>Coding &amp; Billing Seminar</i><br>Phoenix, AZ<br><a href="#">Learn more and register here</a>                          |
| November 8, 2017                           | <i>Gift Giving: Show Your Thanks &amp; Remain Compliant</i><br>AOPA Webinar<br><a href="#">Learn more and register here</a> |
| <b>Save the date:</b><br>January 5-7, 2018 | AOPA Leadership Conference (Invitation Only)<br>Palm Beach, FL  |