**Medicare Acute Inpatient Hospital Stays per 1,000 Enrollees, 2016**


**WASHINGTON UPDATE**

**Congress**

Although many health-care issues are calling for congressional action this year, the run-up to the mid-term elections likely will limit legislative advancements to a regulatory relief package, according to Rep. Peter Roskum (R-Ill.), chairman for the House Ways and Means Subcommittee on Health. Roskum cites the months-long effort by his chamber to seek ideas from providers about redundant or unnecessary statutes and regulations that could be reduced. He says the U.S. Department of Health and Human Services (HHS) has made progress this year in cutting regulatory burdens, but some changes would require statutory changes.

**CMS**

A newly proposed direct primary care payment model is part of a “fundamental rethinking of provider compensation” by the federal government, says HHS Secretary Alex Azar II. CMS recently announced it was assembling a direct primary care (DPC) model, based on stakeholder responses it received after asking about new directions for payment models. CMS has released little information on what the DPC model will entail, but Azar says it will allow Medicare beneficiaries “to receive convenient, accessible primary care from a physician they know at a predictable and affordable cost.”

Recently announced Medicare Advantage (MA) rates and rule changes could help sometimes-struggling provider-sponsored plans improve their performance. CMS in April issued a final rule and call letter for MA and Part D plans, which will increase CY19 average revenue by 3.4 percent excluding an expected 3.1 percent from changes to risk scores. Among the rule changes for MA plans was an expanded definition of supplemental benefits to include services that are used to diagnose, prevent, or treat an illness or injury; compensate for physical impairments; ameliorate the functional or psychological impact of injuries or health conditions; or reduce avoidable emergency and healthcare utilization.

**TOP GRADES**: The Leapfrog Group in April released its Spring Hospital Safety Grades, and gave 750 hospitals an “A.”