

What could Price resignation mean for regulatory policy and physician community?



As secretary of the U.S. Health and Human Services Department, Dr. Tom Price implemented some policy changes to ease the regulatory burden on the industry, especially for his peers in the physician community. With Price's sudden resignation, no major shifts in policy are expected, although his exit could hamper efforts for more deregulation.

"It clearly puts everything in slow motion," said Gail Wilensky, who oversaw Medicare during George H.W. Bush's presidency and is now a senior fellow at not-for-profit Project HOPE. "The heads of agencies tend to not make major decisions without the head of the organisation in place. It makes agency leaders a little more conservative."

HHS Acting Assistant Secretary Dr. Don Wright will stand in for Price until a permanent replacement is confirmed by the Senate.

Under Price, HHS took a number of steps to scale back several Obama-era regulations. For example, the CMS carved small physician practices out of complying with new quality and reporting rules under the Medicare Access and CHIP Reauthorization Act. In addition, the CMS took steps to make bundled-payment models voluntary.

Aside from easing up on mandatory payment programmes, the department is also reviewing a number of Medicaid waivers that would allow states to institute work requirements, lifetime limits or drug testing on enrollees.

"Price ushered in a new era of slowing the pace of some of these dramatic payment models," said Republican healthcare analyst Lindsay Bealor Greenleaf, director at consultancy ADVI Health. "There's a difference between being forced to do something and doing something naturally. Not having him oversee the agency is disappointing."

As noted by some observers, some of the department's moves under Price's leadership predominantly helped physicians. A new secretary may broaden the scope of the deregulation agenda.

Price was forced to resign after drawing ire for his use of chartered flights, with an estimated total cost of over \$400,000. Price had said that he would pay the Treasury just over \$51,000 for the flights.

Some observers say the political noise created by Price's sudden exit should not overshadow the bigger issues of improving quality of care and reducing costs.

Hospital leaders need to get costs under control, continue to put processes in place to improve quality and wait for the Trump administration and Congress "come to grips with what they are going to do," said Rulon Stacy, managing director of Navigant.

Stacey cited a Moody's Investors Service analysis showing that expenses at not-for-profit providers grew by 7.2%, outpacing annual revenue gains of 6%. The larger expense growth was driven by rising pension contributions, higher labour costs amid a nursing shortage, technological investments and growing pharmaceutical prices, according to Moody's.

Source: [Modern Healthcare](#)

Image Credit: [District office of Tom Price](#)

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