

AVALON HEALTHCARE SOLUTIONS **VALUE-BASED CARE MEETS PATIENT-CENTERED CARE FOR LAB TESTING**

July 19, 2022



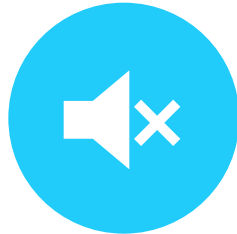
OVERVIEW & INTRODUCTIONS

Rhonda Willingham, EVP, Sales & Marketing, Avalon

Before we start



This meeting is being recorded.



We will be **MUTING** everyone except the presenter to make sure the audio is clean and clear.



Q&A will be done by using the “**Questions**” feature.

Agenda

OVERVIEW AND INTRODUCTIONS

Rhonda Willingham, EVP, Sales & Marketing, Avalon

UPDATE FROM WASHINGTON, D.C.

Breaking News

How The PHE Affected Lab Testing

Where Patients Get Lab Services Will Matter

Future Lab Testing Issues For Plans

Julie Barnes, Principal, Maverick Health Policy

Michael Bagel, Director of Public Policy, Alliance Community Health Plans

CLOSING REMARKS

Bill Kerr, M.D., Chief Executive Officer, Avalon

UPDATE FROM WASHINGTON, D.C.



Julie Barnes, Principal, Maverick Health Policy



Michael Bagel, Director of Public Policy, Alliance of
Community Health Plans



- **July 1:** Transparency in Coverage Rule went into effect—plans must post machine-readable files with prices for all covered services.
- **July 8:** President Biden issues Executive Order to protect access to contraceptive and abortion services post-*Roe v. Wade* overturning
- **July 8:** CBO said legislation allowing Medicare to negotiate prescription drug prices would save \$290 billion over 10 years
- **July 15:** PHE extended
- **The latest on:**
 - **FTC's** pharmacy benefit manager (PBM) investigation
 - **Congressional action** on reconciliation package, USCIA / COMPETES

How the PHE Affected Lab Testing

Increased Consumer-Friendly Delivery Methods

- Emergency Use Authorizations
- Free, mail-order tests
- Legislation requiring plans to cover tests



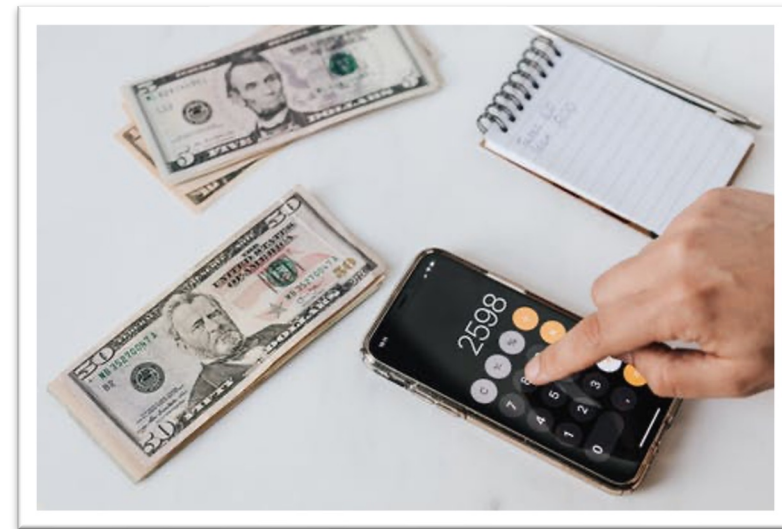
Unresolved Issues

- Lack of competitive pricing—price-gouging, price transparency of lab test prices
- Lack of reporting/oversight of DTC testing (duplicative testing, incomplete results, and need for consumer education)



Where Patients Get Lab Services Will Matter

- According to the No Surprises Act, hospital labs **cannot** balance bill, but doctor office-ordered labs **can**
- Cost pressure has everything under a microscope—will value-based contracting mean labs are in bundled payments?



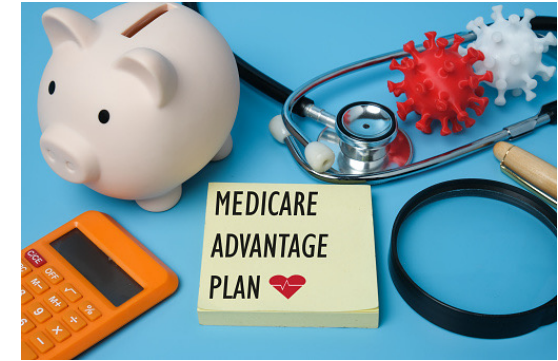
Future Lab Testing Issues for Plans

New Frontier—Discretionary Lab Testing

- Insurance coverage questions
- Advanced molecular and genetic testing
 - What expensive treatments will they lead to?

Prior Authorization Scrutiny

- **OIG** report: MA plans denied some prior authorization requests
- House Energy & Commerce Subcommittee held hearing on MA oversight
- **Improving Seniors' Timely Access to Care Act**
- **CMS** is working with **ONC** to streamline prior authorizations





CLOSING REMARKS

Bill Kerr, M.D., Chief Executive Officer, Avalon



Coming Soon—2022 Lab Trend Report

EMERGING TRENDS AND ACTIONABLE INFORMATION

- The lingering impact of COVID-19
- Market forces affecting the laboratory space and health plans
- Avalon's view of laboratory trends
- Lab Values Management through data

Thank you

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SAVE THE DATE

September 13 | 2:00 - 3:00 PM EST
Registration open: www.avalonhcs.com