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### NEXT WEEK IN WASHINGTON...

- \* The Senate Aging Committee holds a hearing on “Reducing Medicare Drug Costs.”
- \* Talks are expected to continue on raising the debt ceiling.

## 1. TENSE DEBT CEILING NEGOTIATIONS CONTINUE

Tense debt ceiling negotiations continued each day among President Obama and the House and Senate leadership. Talks remained stymied by a lack of agreement on spending cuts and tax increases/“loopholes.” President Obama continued to urge a \$4 trillion deal including cuts and tax changes, while Republicans such as House Speaker John Boehner (R-OH) suggested a smaller agreement of \$2.4 trillion and Majority Leader Eric Cantor expressed blanket opposition to any plan including any tax modifications. Toward the end of the week, Senate Minority Leader Mitch McConnell (R-KY) even floated a proposal that would allow the President to raise the debt ceiling in increments, without spending cuts, to get around the impasse. At 11:00 am Friday, President Obama held a press conference at which he told leaders to provide him with a proposal in the next 24-36 hours.

Earlier, a skeletal 3-page chart listing health care programs and potential cuts was leaked from Rep. Cantor’s office. Included on the chart, which included no explanatory information, were “Reform DGME and IME Payments” for \$14 billion in savings over 10 years; “EHR Penalties for Medicare Financing,” for \$1 billion over 10 years; and “Reduce Prevention and Public Health Fund,” for \$8 billion. Key Republicans who were not in the leadership had no further information, but interest groups immediately began advocating against potential reductions. On July 13, 64 members of the House sent a letter to their leadership and the President opposing reductions to Medicare payments for teaching hospitals.

## 2. HOUSE PANELS HOLD HEARINGS ON IPAB

Both the House Energy and Commerce Health Subcommittee and House Budget Committee held hearings on the Independent Payment Advisory Board (IPAB) this week. HHS Secretary Kathleen Sebelius was the key witness at both forums.

[House Energy and Commerce Subcommittee on Health](#)

On July 13, the House Energy and Commerce Subcommittee on Health held a hearing entitled “IPAB: The Controversial Consequences for Medicare and Seniors.” In an opening statement, Subcommittee Chairman Joe Pitts (R-PA) stated that, “The IPAB recommendations will be pushed through Congress with very little time for discussion or for the development of realistic alternatives.” Additionally, Energy and Commerce Committee Chairman Rep. Fred Upton (R-MI) argued that the Affordable Care Act (ACA) “gave an unelected, unaccountable panel of 15 experts and academics the power to make seniors’ health care decisions.”

Secretary Sebelius described the IPAB as a Board comprised of 15 health experts to “recommend improvements to Medicare that improve care and help control costs.” She noted that the IPAB was not permitted to make recommendations to “ration care, reduce benefits, raise premiums or cost-sharing, or alter eligibility,” and that Congress had the choice to either accept the recommendations or come up with its own.

Other witnesses at the nearly day-long hearing included Members of Congress from both parties. Rep. Phil Roe, MD, (R-TN) described his legislation to repeal IPAB and Rep. Allyson Schwartz (D-PA) expressed support for the ACA, but opposition to IPAB because the law contained sufficient cost control measures. Rep. George Miller (D-CA), testified that the IPAB was merely a “backstop” in the event that Congress did not act to control costs.

Other individuals testifying at the hearing were representatives from the Congressional Research Service, American Enterprise Institute, Center for American Progress, the Commonwealth Fund, the Alliance for Specialty Medicine and the American College of Cardiology. Subspecialty medical societies have long opposed the creation of the IPAB.

#### Budget Committee

The previous day, the House Budget panel held a hearing entitled, “Medicare’s Future: An Examination of the Independent Payment Advisory Board.” In an opening statement, Chairman Paul Ryan discussed the increasing costs of Medicare and the bipartisan concerns about the Board. He also questioned how IPAB could cut payments to providers without harming their patients and stated that Congress would be turning its responsibilities over to IPAB, if it were not repealed.

Witnesses included Secretary Sebelius, Douglas Holtz-Eakin, American Action Forum, Grace-Marie Turner, Galen Institute and Judith Feder, PhD, Georgetown Public Policy Institute. Secretary Sebelius described the ACA and the purpose of the IPAB, while the remaining witnesses stated their strong support for, or opposition to, the Board.

### **3. AAFP MEMBERS URGE CONGRESS NOT TO CUT GME**

As a result of the potential threat to Medicare GME, on July 8, AAFP sent out an alert asking members to contact their legislators opposing these cuts in the debt ceiling negotiations. The alert was targeted to about 30,000 AAFP members living in the districts or states of Congressional legislators in the House and Senate leadership, on the Senate Finance Committee and on the House Ways and Means Committee. Members of the AAFP’s Connect for Family Medicine program also were targeted with the same request. In addition, all AAFP Key Contacts were urged to follow-up with phone calls to their Congressional lawmaker. Currently, 553 AAFP members have contacted their legislators.

### **4. REGULATORY BRIEFS**

- On July 4, the Medicaid Electronic Health Record (EHR) Incentive Program launched in Arizona, Connecticut, Rhode Island, and West Virginia. Physicians and hospitals in these four states are now able to complete their EHR Incentive Program registration at

the state level and receive incentive payments. Each states' Medicaid agency website contains further information.

- On July 8, HHS issued a press release announcing nearly 4,500 organizations including over 2,000 hospitals pledged support for the [Partnership for Patients](#)
- On July 8, HHS [announced](#) three initiatives designed to help states improve the quality and lower the cost of care for the approximately nine million Americans who are eligible for both Medicare and Medicaid.
  - A demonstration program to test two new financial models designed to help states improve quality and share in the lower costs that result from better coordinating care for individuals enrolled in Medicare and Medicaid.
  - A demonstration program to help states improve the quality of care for people in nursing homes by providing these individuals with the treatment they need without having to go unnecessarily to a hospital.
  - A technical resource center available to all states to help them improve care for high-need high-cost beneficiaries.
- On July 11, CMS released the proposed [Health Insurance Exchanges](#) regulations. The AAFP is preparing a summary of the regulation and will provide extensive comments to the agency before the comment period closes in September.
- On July 13, the Centers for Disease Control and Prevention [announced](#) publication of the [Guide to Infection Prevention for Outpatient Settings: Minimum Expectations for Safe Care](#). The guide is based on evidence-based CDC guidelines and is intended to be a concise educational document, including a checklist. It was designed “specifically for health care providers in outpatient care settings such as endoscopy clinics, surgery centers, primary care offices, and pain management clinics.”
- On July 20 from 2:00pm – 3:00pm ET, CMS will stream a [webcast](#) to introduce the Quality Care Finder. Participants also can call 1-800-837-1935 and reference 78023856.
- On Thursday, July 21 from 1:30pm – 3:00pm ET, CMS will conduct a conference call titled, “The ABCs of the Initial Preventive Physical Examination (IPPE) and Annual Wellness Visit (AWV)”. CMS will discuss basic information about each benefit, when to perform these services, as well as coding and billing requirements. A question and answer session will follow the presentations. [Registration](#) for this free call is required. Related to the IPPE and AWV, CMS created a quick reference [chart](#) on both preventive services, a [chart](#) on just the AWV, and the [Guide to Medicare Preventive Services](#).
- On Tuesday July 26 from 1:30pm – 3:00pm ET, CMS scheduled a conference call on the Physician Quality Reporting System and Electronic Prescribing Incentive Program. [Registration](#) for this free call is also required and a [slideshow](#) presentation will be made available in advance of the call.
- On July 27 from 1:00pm – 3:00pm ET, CMS will host a conference call on the 2013 hospital value-based purchasing program. Participants should dial 1-800-837-1935 and reference 79533903.

## 5. FAMMEDPAC SUPPORTS KEY HOUSE LEGISLATORS

FamMedPAC continues to help raise the profile of family medicine in Washington, DC, attending events this week for four key House Members. The PAC supported the following Members of Congress:

- **Rep. Fred Upton (R-MI)**, Chair of the House Energy and Commerce Committee. AAFP was the only primary care group in attendance. Rep. Upton talked about the difficult negotiations on the debt and expressed concern that an agreement may not be reached before the deadline. He also spoke about the Medicare physician fee schedule, saying that it would be addressed before the end of the year.

- **Rep. Ed Whitfield (R-KY)**, a member of the House Energy and Commerce Health Subcommittee. As with Chairman Upton, the talk focused on the continuing negotiations over the debt ceiling, the need to prevent the SGR payment cuts and the recently released ACO regulations.
- **Rep. Sue Myrick (R-NC)**, also a member of the House Energy and Commerce Health Subcommittee. Rep. Myrick expressed concern about the debt limit talks and the need to convince the House Republican freshmen to support an increase.
- **Rep Wally Herger (R-CA)**, the Chair of the Ways and Means Health Subcommittee. Rep. Herger also expressed concern over the debt limit vote and said the SGR would be addressed before the end of the year.