

April 11, 2014

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## NEXT WEEK IN WASHINGTON...

- \* The House and Senate will be in recess until April 28.

### 1. REP. WAXMAN HEADLINES 2014 FAMILY MEDICINE CONFERENCE

On Monday, April 7 and Tuesday, April 8, the AAFP's Commission on Governmental Advocacy and the Academic Family Medicine Advocacy Committee jointly conducted the 2014 Family Medicine Congressional Conference in Washington, DC. Some 250 family physicians, educators, students and chapter staff heard Rep. Henry Waxman (D-CA) recount the 40 years of health care policy that he has been helped shaped during his forty years in Congress. In addition, Rep. Michelle Lujan Grisham (D-NM), a first-term legislator, spoke to participants at the FamMedPAC/AAFP Grassroots reception, describing her experience as a caregiver for her mother and the value of her family physician as a coordinator of her mother's care. In addition, the conference participants heard from policy experts in Congress, the Administration and in research centers, like the Robert Graham Center. The following day, the conference participants went to meet with their Congressional legislators and staff to ask Congress to extend the enhanced Medicaid payment for primary care and to reauthorize the Teaching Health Centers program.

### 2. SENATE HOLDS PRIMARY CARE WORKFORCE HEARING

On April 8, the AAFP sent a [letter](#) to Senator Bernie Sanders (I-VT) in support of his bill, the *Expanding Primary Care Access and Workforce Act* (S 2229) which addresses the primary care challenges in America by supporting and expanding the primary care workforce and infrastructure, enhancing primary care payments, and improving the transparency and accountability of federal funds used to train primary care physicians and other health care providers. The bill would reauthorize the Title VII AHEC and Primary Care Residency Program, the National Health Care Workforce Commission and Teaching Health Centers. This measure also seeks to extend Medicare's primary care incentive payment and includes a provision to make permanent the enhanced Medicaid payment for primary care physicians. In the letter, the AAFP suggested that he add a provision to reauthorize Title VII, Section 747 Primary Care Training and Enhancement.

On Wednesday, April 9, Senator Sanders chaired a hearing before the Senate HELP Subcommittee on Primary Care and Aging on “Addressing Primary Care Access and Workforce Challenges: Voices from the Field.” Hearing witnesses included Rebecca Spitzgo, Associate Administrator, Bureau of Health Professions, Health Resources and Services Administration, and several family physicians: Joseph Nichols, MD, MPH, a family medicine resident from Baltimore; Deborah Edberg, MD, the Director of the McGaw Northwestern Family Medicine Residency Program, in Chicago; and Allen Dobson Jr., MD, President and CEO, Community Care of North Carolina, Raleigh, NC. The subcommittee has made available a [webcast](#) of the hearing and links to the witnesses’ written statements.

### **3. SENATE FINANCE COMMITTEE HOLDS HEARING ON PRESIDENT’S FY2015 BUDGET**

On Thursday, April 10, the Senate Finance Committee held a hearing entitled “The President’s Budget for Fiscal Year 2015.” The sole witness was Kathleen Sebelius, Secretary of the U.S. Department of Health and Human Services. She testified that 7.5 million Americans have now enrolled in coverage through the exchanges under the *Affordable Care Act* (ACA). In addition to issues surrounding the ACA rollout, the committee members engaged the Secretary on the following topics relevant to family medicine:

- **Medicare Physician Payment:** Several members, like Sen. Ben Cardin (D-MD), raised concern over the persistence of the SGR formula, and stated their desire to continue pushing for a permanent solution. Sen. Jay Rockefeller (D-WA) pointed out that the President’s budget proposes to require Medicaid-level payments in Medicare Part D for dual eligibles which would save \$141.2 billion over 10 years and provide financing for a permanent SGR fix. Sen. Maria Cantwell (D-WA) asked the Secretary for a status report on the value-based modifier, which will begin to affect Medicare payments in 2015.
- **Release of Medicare Claims:** Senators from both parties commended the Secretary for CMS’s April 9 public release of a trove of Medicare data showing how Medicare distributed \$77 billion to 825,000 individual medical providers in 2012. The Secretary described the release as “a big breakthrough; that data has been under a federal injunction since 1979.” Sen. Charles Grassley (R-IA) stated that he and Chairman Ron Wyden (D-OR) “have been working on this for years. No one should be afraid of this data coming out. I believe transparency works, and with transparency you get accountability.” Sen. Cantwell suggested that the data will reinforce practice patterns prevalent in Washington state, which she described as marked by high-quality, low-cost care. She added that the public would benefit from additional CMS disclosures about diagnoses, ordering of supplies, etc. “to help us in this effort of really focusing on outcomes instead of procedures.”
- **Physician Sunshine:** Sen. Grassley asked the Secretary for assurances that CMS will publish any data collected under the *Physician Payment Sunshine Act* with “explicit context providing details about items accepted and not just dollar amounts.” Sen. Grassley mentioned that “many providers have raised concerns with me about journal article reprints being reportable.” (The AAFP has objected by [letter](#) to CMS’s decision to exclude textbooks and reprints of peer-reviewed clinical journal articles from the “educational materials” carve-out from the law.) The Secretary shared Sen. Grassley’s concerns about accuracy and presentation of data, stating: “the worst of all worlds is to put data out that is inaccurate or is interpreted inaccurately.” She confirmed that CMS is on track to have the public launch date for this website on September 30, 2014.

- **Targeted Support for GME:** Sen. Mike Enzi (R-WY) called into question the Administration's proposal to designate \$5.2 billion over 10 years to support residency training in primary care, pediatrics, and understaffed specialties. Sen. Enzi asked whether the Administration had established the need for the program, in light of his claim that a GAO report documents some 90 existing federal workforce programs, including 50 within HHS. The Secretary defended the proposed program, responding: "We are being much more strategic about the way the money is being spent."
- **Medicare Advantage Networks:** Sen. Bill Nelson (D-FL) called to the Secretary's attention to reports that some Medicare Advantage plans have narrowed their networks without appropriate notice (which he described colorfully as "suddenly obliterating a whole bunch of doctors from a plan"). The Secretary responded that "we have provided some formal communication with insurers that a notification is indeed part of their responsibility and that we're going to be watching that a lot more closely to make sure that if a plan institutes changes that beneficiaries can then make other choices based on that plan decision."

#### **4. FamMedPAC RECEIVES RECORD SUPPORT AT FMCC, HELPS KEY LEGISLATORS**

FamMedPAC received over \$19,000 in contributions from attendees at this year's Family Medicine Congressional Conference, setting a new record for support at this event.

FamMedPAC Board Chair Dr. Randy Wexler delivered a report to the conference on the PAC's activities in this election cycle and encouraged attendees to help grow the PAC so that it can continue to help promote AAFP's legislative agenda with Congress. The PAC also supported these legislators:

- **Rep. Joe Pitts (R-PA)**, the Chair of the Health Subcommittee of the House Energy and Commerce Committee.
- **Rep. Joe Heck (R-NV)**, an emergency physician in his second term in Congress.
- **Rep. Tim Murphy (R-PA)**, a psychologist who serves on the Health Subcommittee of the House Energy and Commerce Committee.
- **Rep. Michelle Lujan Grisham (D-NM)**, a first-term Representative, who spoke at this year's Family Medicine Congressional Conference.

#### **5. AAFP NOMINATES FOUR FAMILY PHYSICIANS TO PCORI COMMITTEE**

In a [letter](#) sent April 10 to the Government Accountability Office, the AAFP recommended Drs. Theodore Ganiats, Carlos Jaén, Matthew Thompson, and Eric Wall for open positions on the Patient Centered Outcomes Research Institute (PCORI) Methodology Committee. This panel is responsible for developing and updating methodological standards and guidance for the conduct of patient-centered comparative clinical effectiveness research. Dr. Alfred Berg, a family physician whom the AAFP had recommended and who had served on this committee, recently cycled off with three others creating four vacancies.

#### **6. STATE UPDATE**

##### **Medicaid Expansion**

A contentious battle over Medicaid expansion in the Missouri state legislature continues to brew, though this time, the effort is led by Republican legislators, making for an intraparty battle. Meanwhile in Pennsylvania, Governor Tom Corbett (R) publically vented his frustration this week over negotiations with the Obama Administration on the state's non-conventional plan to expand the Medicaid program.

##### **New Medicaid Expansion Research**

[New research](#) released by the Urban Institute last week found that the un-insurance rate for nonelderly adults as of March 2014 was 15.2 percent across the country, which is 2.7 percent

less than it was in September 2013, the month before open enrollment in health insurance marketplaces began. The research further indicates that in states that have expanded their Medicaid programs, the un-insurance rates for adults dropped 4 percentage points in the same time period, while non-expansion states saw a drop of only 1.5 percentage points. The un-insurance rate in the non-expansion states is about 18.1 percent, while expansion states are experiencing a lower 12.4 percent average of uninsured.

### **Updated Marketplace Enrollment Numbers**

The Department of Health and Human Services announced this week that more than 7.5 million Americans have signed up for health insurance via the marketplaces to date. This number includes over 400,000 who have purchased coverage since the special enrollment period that began April 1, after the regular March 31 deadline. These numbers are expected to grow, as special enrollment applicants are accepted, and state marketplace numbers begin to aggregate.

## **7. REGULATORY BRIEFS**

- On April 3, the FDA released a draft [report](#) that proposes risk-based regulatory framework for health information technology. The FDA also announced a related public meeting and will solicit comments on the draft report.
- On April 4, CMS released a [report](#) indicating that roughly 3 million people enrolled in Medicaid or the Children's Health Insurance Program (CHIP) between Oct. 1 and Feb. 28, increasing total enrollment in the programs by an estimated 5.2 percent. The report also includes data on Medicaid and CHIP applications and eligibility since open enrollment in the federally facilitated and state-based marketplaces began Oct. 1.
- HHS recently released [guidance](#) about how individuals that were "in line" but were unable to complete enrollment in the Health Insurance Marketplace by the March 31 deadline must complete the process by April 15 to get coverage for 2014.
- On April 7, CMS [released](#) final capitation rates and payment policies for private Medicare Advantage and Part D prescription drug plans beginning in contract year 2015.
- On April 8, HHS released a [report](#) indicating that the U.S. has met or made progress toward 14 of the 26 leading health indicators for the Healthy People 2020 initiative. Achievements include fewer births before 37 weeks' gestation and lower infant mortality; more adults receiving recommended colorectal cancer screening and having their blood pressure under control; more adults meeting aerobic and muscle-strengthening guidelines and fewer smoking cigarettes; more children receiving recommended vaccines; and fewer injury deaths and homicides. Indicators that are getting worse include the suicide rate and the proportion of adolescents with major depressive episodes.
- On April 9, CMS released [data](#) related to Medicare Part B payments made for services in 2012 to specific physicians and other health care professionals. The AAFP is developing further information about this announcement for members.
- On April 10, OIG released a [report](#) that indicated about 32 percent of Medicare home health claims lack appropriate documentation for patients transitioning to home health care as it relates to CMS's enforcement of the Medicare requirement that a physician meet face-to-face with such patients to certify that home care is medically necessary.

## **7. HHS SECRETARY RESIGNS; HEAD OF OMB NOMINATED TO SUCCEED HER**

On Friday, April 11, the President announced the resignation of Kathleen Sebelius as Secretary of the Department of Health and Human Services and his intention to nominate as her successor Sylvia Burwell, the director of the Office of Management and Budget.