

January 17, 2014

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## NEXT WEEK IN WASHINGTON...

\* Both the House and Senate will be in recess next week and will return the week of January 27 for the President's State of the Union address on January 28.

### 1. IN FINAL PUSH, AAFP URGES CONGRESS TO REPEAL SGR

The AAFP sent a [letter](#) on January 15 to the leadership of the House and Senate, thanking them for the work done so far at the committee level to repeal the Medicare SGR formula and replace it with a payment system based on value, and urging swift action on completing the work. To date, all three committees of jurisdiction (Senate Committee on Finance, and the House Committees on Ways and Means and Energy and Commerce) have passed bipartisan bills. Behind closed doors, senior Congressional staff have begun the delicate process of reconciling the three bills and negotiating a package of spending reductions in other programs to offset the cost of the package, expected to be roughly \$150 billion over 10 years.

### 2. FINAL 2014 SPENDING BILL PRESERVES AHRQ AND TITLE VII FUNDS

The \$1.1 trillion fiscal year 2014 omnibus appropriation bill, HR 3547, to fund the government through September 30, overwhelmingly passed the House by a bipartisan vote of 359 to 67 on Wednesday, January 15, and the Senate by another bipartisan vote of 72 to 26 the next day. The spending measure was austere, but more generous to AAFP priorities than either the budget sequester or the previous House draft bill. The President is expected to sign the measure before the current spending measure expires on January 18. Here are the specifics:

- **Agency for Healthcare Research and Quality (AHRQ)** – The measure provides \$371 million for AHRQ which includes \$364 million and another \$7 million is made available through the Prevention and Public Health Fund. The total funding available to AHRQ will include \$100 million in FY 2014 from the Patient-Centered Outcomes Research Institute (PCORI) trust fund transfer. Including that transfer for PCORI dissemination and infrastructure development, AHRQ's total program level would be \$471 million, an increase of \$37 million over FY 2013 and the President's FY 2014 request. It exceeds the request for patient safety research and health funding by \$13 million and for

crosscutting research by \$22 million providing \$101 million and \$111 million for those accounts respectively.

- **Health Resources and Services Administration (HRSA)** –The omnibus package includes \$36.9 million for the Title VII Grants for Training in Primary Care Medicine, which is a 1.1 percent increase above FY 2013, but below the President’s FY 2014 budget request which had called for an increase to be used for PA training.
- **HRSA Rural Health** – The bill provides \$142.3 million for rural health programs. The legislation includes sufficient funding to continue the five key grant program areas identified in the President’s budget and supported by the AAFP: outreach services, rural network development, network planning, small healthcare provider quality improvement, and the Delta States Network program.
- **HRSA Community Health Centers** – The bill contains \$3.6 billion, a \$700 million increase, to provide comprehensive, quality health care services to medically underserved communities and vulnerable populations. This includes \$350 million to create over 450 new community health centers across the nation and expand clinical services at existing health centers.
- **Other Health Care Agencies** – Congress approved a \$1 billion increase for the National Institutes of Health to \$29.9 billion in FY 2014. The Centers for Disease Control and Prevention will receive \$6.9 billion, \$567 million more than the fiscal 2013 program level, and the bill freezes the budget for operations and management of the Centers for Medicare and Medicaid Services at \$3.7 billion, equal to the level created by the fiscal 2013 sequester.

### **3. HOUSE PASSES BILL TO IMPOSE NEW EXCHANGE DISCLOSURE MANDATES**

On Thursday, January 16, the House passed the *Exchange Information Disclosure Act* (HR 3362) by a vote of 259 to 154. The House-passed bill seeks to require the Secretary of Health and Human Services (HHS) to provide weekly reports to Congress, states, and the public about the 36 federally run exchanges, including easily tracked data such as the number of individuals who have visited the site, the number of individuals who have successfully enrolled, and the level of coverage they have obtained. The reports would also be required to contain information on the HHS’s efforts to resolve the site’s widespread technical problems. The bill, introduced by Rep. Lee Terry (R-NE), is [opposed](#) by the Obama Administration because of the “unfunded, unprecedented, and unnecessary reporting requirements (on) Health Insurance Marketplaces.”

### **4. SUBCOMMITTEE HOLDS HEARING “SEEKING PPACA ANSWERS”**

Gary Cohen, Director of the Center for Consumer Information and Insurance Oversight at CMS, was the lone witness at a hearing of the House Energy and Commerce Subcommittee on Oversight and Investigations, which sought to monitor the implementation of the *Affordable Care Act*. Chair of the full committee, Rep. Fred Upton (R-MI), said that there must be total transparency going forward. In response to a question about marketing the Health Insurance Exchanges, Mr. Cohen shared that now that the healthcare.gov website is more stable, there will be a stepped up outreach program aimed at increasing enrollment. He notified the subcommittee that HHS has placed ads for the insurance program during the Winter Olympics programming, and has created commercials featuring notables like basketball player Magic Johnson and lots of social media activity around coverage. The Subcommittee Chairman, Rep. Tim Murphy (R-PA) concluded the hearing by asking that the subcommittee be given the costs associated with this upcoming public relations blitz as soon as they become available.

## 5. US TERRITORIES TO RECEIVE HIGHER FEDERAL MEDICAID PAYMENTS

On January 14, the U.S. Virgin Islands Delegate to Congress and family physician, Donna Christensen, MD, announced that her efforts to reduce the territory's Medicaid match is paying off as the Centers for Medicare and Medicaid Services (CMS) announced that the U.S. Territories will be eligible to receive two increases in the federal dollars provided, thereby decreasing the share that they must contribute to use the funding. Delegate Christensen (D-VI) said that territories should be able to increase the Federal Medical Assistance Percentage (FMAP) which determines the federal contribution to 57.2 percent in 2014 and 2015. The current FMAP is 55 percent. It also provides for a 78 percent FMAP (retroactive to January 1, 2014) for "newly eligible" individuals who have been added to the Medicaid rolls as a result of the *Affordable Care Act*.

## 6. AAFP NOMINATES DR. HALPERIN TO CDC COMMITTEE ON SMOKING

In a January 13 letter, the AAFP nominated Abigail Halperin, MD MPH to fill a vacant seat on the Interagency Committee on Smoking and Health (ICSH), a committee within the Centers for Disease Control and Prevention (CDC).

Dr. Halperin has had a career as a primary care clinical researcher and teacher focused on the prevention and treatment of tobacco addiction and related diseases. She has been an investigator on projects funded by the National Cancer Institute, National Institute on Alcohol Abuse and Alcoholism, the CDC and the American Legacy Foundation researching the reduction in tobacco use among young adults and other priority populations, with a particular interest in increasing reach and effectiveness of smoking cessation interventions by health care providers in hospitals and other clinical settings.

Among other experiences, Dr. Halperin has consulted for the World Health Organization (WHO) Tobacco Free Initiative, served on an expert panel for the CDC and has been a member of the strategic planning and evaluation committees for the Washington State Department of Health's Tobacco Prevention and Control Program.

## 7. FamMedPAC EDITORIAL IN AAFP NEWS NOW

An [editorial](#) by FamMedPAC Board of Directors Chair Dr. Randy Wexler was posted this week on the *AAFP News Now* web site. Dr. Wexler highlights the continuing success of the PAC and points out how important it is for AAFP members to support the PAC and AAFP's advocacy efforts.

## 8. REGULATORY BRIEFS

- On January 13, HHS released a [report](#) that nearly 2.2 million Americans selected plans in the Health Insurance Marketplace from October through December and that thirty percent of those who selected plans were under age 35. Of the almost 2.2 million, 54 percent are female and 46 percent are male; 30 percent are age 34 and under; 24 percent are between the ages of 18 and 34, 60 percent selected a Silver plan, while 20 percent selected a Bronze plan; and 79 percent chose a plan with financial assistance.
- On January 14, CMS released a [final rule](#) relating to the potential publication of Medicare physician claims data. Claiming that the agency "took a step forward in making Medicare data more transparent and accessible, while maintaining the privacy of beneficiaries," the final rule updates policy on disclosure of physician payment information. CMS will begin evaluating requests for information on a case-by-case basis. In addition, CMS will generate and make available aggregate data sets regarding Medicare physician services for public consumption. In a coalition [letter](#) sent September 5, 2013, the AAFP and other physician organizations expressed concern over the release of data and offered suggestions to promote the reliable, safe, and effective use of this information.