GOVERNMENT AFFAIRS WEEKLY

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June 20, 2014

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NEXT WEEK IN WASHINGTON…

* On Monday, June 23, the House Committee on Veterans' Affairs will hold a hearing to evaluate the capacity of the VA to care for veteran patients.
* On Wednesday, June 25, the House Energy and Commerce Subcommittee on Oversight and Investigations will hold a hearing on Medicare program integrity.

1. WAYS AND MEANS HEALTH PANEL DIGS INTO MEDPAC'S JUNE 2014 REPORT

The House Ways and Means Subcommittee on Health held a hearing on Wednesday, June 18 on the Medicare Payment Advisory Commission (MedPAC) June 2014 Report to Congress. The sole witness was Mark Miller, the executive director of MedPAC. During the hearing, Mr. Miller talked about the chapter on the Medicare Primary Care Incentive Payment (PCIP)—a provision enacted under the *Affordable Care Act* (ACA) which will expire at the end of 2015. In his opening statement, Mr. Miller stated: "With respect to provider payments the report discusses primary-care services which the commission believes are undervalued in the physician fee schedule. The policy idea would maintain the primary-care add-on in a budget-neutral manner, but would move to paying for these services on a patient basis, rather than on a service basis. We believe that this would give physicians, advance practice nurses, and other qualified professionals the resources and flexibility to provide non-face-to-face services, and to provide coordination services."

Rep. Mike Thompson (D-CA) asked for more detail about the Commission's views on the undervaluation of primary-care in the fee schedule and asked Mr. Miller to review the Commission's other recommendations on primary care. Mr. Miller responded that MedPAC has recommended that Congress require CMS "to identify overpriced procedures in the fee schedule; we think that most of those overpriced procedures reside on the procedural side of the fee schedule; then you would have resources that you could use to rebalance to the cognitive or to the primary-care side of the fee schedule as you saw fit." Mr. Miller noted MedPAC's recommendation that Congress establish a dedicated conversion factor for primary

care as a way to "get a rebalancing effect." Ranking Democrat Jim McDermott (D-WA) asked about the PCIP, stating: "I've always thought we'd have a much better system if everyone had a medical home—some medical person who knew their situation."

2. AAFP SUBMITS TELEMEDICINE PROPOSALS TO E&C HEALTH SUBCOMMITTEE

The AAFP submitted a letter on Monday, June 16 to the House Energy and Commerce Subcommittee on Health Chairman Joe Pitts (R-PA) and Ranking Member Frank Pallone (D-NJ), in response to the Subcommittee's request for proposals on telemedicine. Given that the Subcommittee held a bipartisan hearing on the topic of telemedicine on May 1, followed by the call for proposals, AAFP staff believe that the Subcommittee will likely introduce a bipartisan bill in the near future. In its letter, the AAFP proposes that Congress should remove existing barriers that prevent a freer flow of telemedicine—for example the current requirement that patients receive telemedicine services within a provider's office, rather than at home. The AAFP believes that the facility fee for telehealth sites (less than $25) is not reasonably calculated to cover a physician practice's costs of providing such a service to patients.

3. CONGRESS BRIEFED ON DIRECT PRIMARY CARE

The AAFP participated in a briefing for Senate health care staff this week on the model of care known as "Direct Primary Care" on Thursday, June 19. The Robert Graham Center held a primary care forum on "Disruptive Innovations in Primary Care" to hear from some of the primary care innovators implementing Direct Primary Care (DPC) later that day. Family physician Brian Forrest, MD, Founder and CEO, Access Healthcare of Apex, NC described how he and his patients benefited from his DPC practice.

4. LEGISLATION TO REAUTHORIZE THE CHILDREN'S HEALTH INSURANCE PROGRAM

On June 11, Sen. Jay Rockefeller (D-WV) introduced the *CHIP Extension Act* (S. 2461) to reauthorize the Children's Health Insurance Program for four more years. CHIP has provided health coverage for low-income children and pregnant women who do not qualify for Medicaid. Current funding for the program, authorized by the *Affordable Care Act* (ACA), will expire on September 30, 2015. Without reauthorization, millions of children and pregnant women could lose coverage and be unable to afford private coverage in the marketplace. The AAFP supports the reauthorization of CHIP and in April signed a letter urging the continued funding of CHIP.

5. WHITE HOUSE OFFICE OF NATIONAL DRUG CONTROL POLICY OPIOID SUMMIT

On Thursday, June 19, the White House Office of National Drug Control Policy (ONDCP) held a summit on the abuse of opioids. The summit was held to discuss new approaches to addressing the recent uptick in heroin and prescription drug abuse and ways to combat the problem. This was the second gathering the White House has convened in recent years address the increase in overdose deaths over the past 15 years.

Attorney General Eric Holder pledged to combat prescription drug abuse not solely through enforcement but with a focus on education, prevention, and treatment. Vermont Governor Peter Shumlin has been vocal about the heroin crisis and devoted his entire state of the state address to the crisis in his state. Gov. Shumlin looks at opioid addiction as a disease that needs to be recognized and communities need to work together to combat the problem and will make Naloxone available over-the-counter in Vermont. Dr. Nora Volkow from the National Institute on Drug Abuse (NIDA) spoke on the science of addiction and prescription abuse and stressed the importance of educating the health care system on the proper prescribing of opioids.

6. FamMedPAC HAS BUSY WEEK PROMOTING FAMILY MEDICINE

FamMedPAC had a busy week, as campaigns seek to post large fundraising numbers by the June 30 reporting deadline. The PAC participated in several physician-focused fundraising

events where primary care, veterans' health care, and family medicine were the hot topics of discussion. The PAC supported the following Members this week:

- **Rep. Sandy Levin (D-MI)**, the ranking Democrat on the Ways and Means Committee.
- **Rep. Steve Stivers (R-OH)**, a cosponsor of the GME bill supported by AAFP. Joining him at this event were Republican physicians: **Reps. Phil Roe (TN), Larry Bucshon (IN), Joe Heck (NV), Michael Burgess (TX),** and **Brad Wenstrup (OH).**
- **Sen. John Barrasso (R-WY)**, an orthopedic surgeon in his first term in the Senate.
- **Rep. Barbara Lee (D-CA)**, a member of the Health Subcommittee of the House Appropriations Committee.
- **Rep. Lloyd Doggett (D-TX)**, a member of the Ways and Means Committee and a cosponsor of the AAFP-supported GME legislation. His daughter is a family physician.
- **Rep. Bill Pascrell (D-NJ)**, a member of the Health Subcommittee of the House Ways and Means Committee.
- **Rep. John Boehner (R-OH)**, the Speaker of the House.
- **Rep. Dan Benishek (R-MI)**, a general surgeon in his second term in office.

7. CDC RELEASES REPORT ON YOUTH VIOLENCE

Late last week, the Centers for Disease Control (CDC) released *Preventing Youth Violence: Opportunities for Action,* a seminal report and its companion guide *Taking Action to Prevent Youth Violence* that provide information and action steps to help communities, public health professionals, families and young people take steps today to stop youth violence before it starts. The AAFP has a position paper on violence and related resources available on AAFP.org.

8. AAFP SUPPORTS MODIFIED EHR TIMELINE IN LETTER TO CMS AND ONC

On June 16, the AAFP sent the Centers for Medicare & Medicaid Services (CMS) and the Office of the National Coordinator (ONC) a letter in response to a proposed rule titled "Medicare and Medicaid Programs; Modifications to the Medicare and Medicaid Electronic Health Record Incentive Programs for 2014; and Health Information Technology: Revisions to the Certified EHR Technology Definition." This proposed rule would change the meaningful use timeline and the definition of certified electronic health record technology (CEHRT). It would also change the requirements for the reporting of clinical quality measures for 2014.

The AAFP letter agreed with these proposals and stated that physicians need greater flexibility in their adoption of 2014 edition CEHRT and their movement toward Meaningful Use Stage 2. Since the start of the Meaningful Use program, the AAFP called for increased flexibility due to the "all or nothing" structure of the program. Without additional flexibility, the AAFP remains concerned that many family physicians and other eligible professionals will not be able to attain the needed attestation to avoid the penalties.

The letter encouraged CMS and ONC to explore other ways to simplify the program and to create educational resources that help physicians navigate the complexity of Meaningful Use regulations. The AAFP also urged the agencies to incorporate the evidence and lessons learned from the Meaningful Use Stage 1 and Stage 2 program before policies are finalized for Stage 3.

9. AAFP COMMENTS ON FQHC RULE, NEW PAYMENT SYSTEM BEGINS OCT. 1

The AAFP sent a letter on June 17 to the CMS in response to the final rule with comment period titled "Prospective Payment System for Federally Qualified Health Centers; Changes to Contracting Policies for Rural Health Clinics; and Changes to Clinical Laboratory Improvement Amendments of 1988 Enforcement Actions for Proficiency Testing Referral." Among other provisions, this regulation predominately implements a new prospective payment system (PPS) for federally qualified health center (FQHC) services under Medicare Part B beginning on October 1, 2014.

Though the majority of the regulation is final, CMS requested comments on policy considerations for developing FQHC PPS rates for multiple visits on the same day, calculating the Medicare claims payment amount and issues pertaining to waiving coinsurance for preventive services.

The AAFP supported continuing to allow FQHCs to receive separate payment in certain circumstances when a Medicare beneficiary has more than one visit to the FQHC on the same day. Accordingly, the AAFP agreed with CMS that separate payment for mental health services furnished on the same day as a medical visit should continue. The AAFP supported CMS' decision to allow an exception to the per diem payment system that would permit FQHCs to bill separately when a subsequent illness or injury occurs on the same day in which a FQHC visit has already occurred and necessitates a return to the FQHC.

The letter outlined how the AAFP continues to support the development of appropriate payment for care management in general and chronic care management (CCM) in particular, especially within the context of a patient-centered medical home. However, the AAFP remains concerned that the laudable goals of furnishing integrated and coordinated care seem, from CMS' perspective, to be hinged on the creation of one code paid on a fee-for-service basis. Ultimately, we urge CMS to allow family physicians practicing in a FQHC or RHC to receive payment for performing care management/chronic care management services for their patients through means of a risk-adjusted, per patient per month care management fee.

CMS will host a free national provider call titled "New Medicare PPS for Federally Qualified Health Centers" on June 25 at 1:30p ET. Registration is required.

10. REGULATORY BRIEFS

- On June 16, CMS launched a national initiative "From Coverage to Care" (C2C), which is designed to help answer questions that patients and physicians may have about new health coverage. CMS also released the new Roadmap to Better Care and a Healthier You, which includes 8 steps to help inform patients about the diverse benefits available through their coverage and how to use it appropriately to access to primary care and preventive services. Among other things, the "Roadmap" contains information on health care coverage terms, the differences between primary care and emergency care, and the cost differences of decisions to seek care in- and out-of-network, where applicable to the consumer's health plan.
- On June 18 CMS released the "ICD-10 Documentation and Coding Concepts Webcast: Family Practice/Internal Medicine."