

September 16, 2016

ON THE HORIZON...

- * On September 19, the Senate will take up a short-term government spending bill.
- * On September 20, the Senate HELP Committee will hold a hearing to examine lab testing in the era of precision medicine.
- * On September 21, the House Committee on Oversight and Government Reform will conduct a hearing to examine the rising price of EpiPens.
- * Also on September 21, the Senate HELP Committee will consider S.2932, to amend the *Controlled Substances Act* with respect to the provision of emergency medical services.
- * In addition, on September 21, a Senate Appropriations Subcommittee plans a hearing on prioritizing public health and the Food and Drug Administration's role in the generic drug market.
- * On September 22, a House Judiciary Subcommittee will discuss competition in the markets for addiction medicine.

CONGRESS

1. HOUSE BILL TO EXPAND ACCESS TO DIRECT PRIMARY CARE INTRODUCED

On Tuesday, September 13, Reps. Erik Paulsen (R-MN) and Earl Blumenauer (D-OR) introduced the *Primary Care Enhancement Act of 2016* ([HR 6015](#)). The bill would correct the Internal Revenue Service's current interpretation of the tax code that prevents Americans with Health Savings Accounts (HSAs) from becoming patients in a practice that provides primary care through the direct primary care (DPC) model. The AAFP released a [media statement](#) applauding the bill's introduction. HR 6015 serves as the House counterpart to S 1989 sponsored by Sen. Bill Cassidy (R-LA) and Sen. Maria Cantwell (D-WA). While the Cassidy-Cantwell legislation goes further than the Paulsen-Blumenauer bill by also establishing a DPC pilot within Medicare Part B, both bills would clarify that patients with HSAs may contract with DPC practices and use their HSA funds to pay for the monthly periodic fees that DPC practices typically charge. The American Academy of Family Physicians (AAFP) has written a [letter](#) in support of S 1989.

2. AAFP URGES CONGRESS TO ACT ON ZIKA AND FY 2017 SPENDING PRIORITIES

The AAFP sent a [letter](#) to leaders in Congress to reiterate family medicine's priorities for fiscal year 2017. The letter dated September 12 urged them to pass a continuing resolution or "CR" for FY 2017 to allow sufficient time to finalize the legislation needed to support the many federal programs that are important to family physicians and patients, and urgently recommended that they enact Zika funding this month. The Senate has scheduled the first procedural vote on a short-term stopgap spending bill for Monday, September 19, and will negotiate through the weekend to prevent a government shutdown when fiscal year 2017 starts on October 1. Congressional leaders have expressed hope to reach a deal by Monday, but there are a number of obstacles remaining including House restrictions on Zika funding, whether to provide disaster aid to states ravaged by recent flooding, and a provision to block the transition to

Internet oversight by an international organization. If the Senate passes the CR early next week, the House is expected to follow by the end of the week.

3. HOUSE SUBCOMMITTEE APPROVES AAFP-SUPPORTED DIABETES MEASURE

On September 13, the House Energy and Commerce Health Subcommittee [approved](#) five health bills including the *National Diabetes Clinical Care Commission Act (HR 1192)*, which the AAFP [supports](#). The goal of HR 1192 is to conduct a comprehensive analysis to ultimately improve treatment and care coordination for diabetes patients and strengthen diabetes prevention efforts. HR 1192 would establish a commission of governmental and non-governmental experts to review U.S. Department of Health and Human Services programs and preventive services, evaluate delivery barriers, identify quality-driven health care models, recommend practice support tools, and review disease prevention resources. Endocrinologists, primary care physicians, non-physician health professionals, patient advocates, and other experts are among those who may be appointed to the commission.

4. MEDPAC DISCUSSES MISVALUED CLINICIAN SERVICES, PRIMARY CARE

On September 8 and 9, the Medicare Payment Advisory Commission (MedPAC) held one of its regular public meetings in Washington, DC. Among the topics explored by the Commission were “Misvalued Clinician Services: Current Status and Next Steps.” MedPAC Commissioners heard from MedPAC staff who explained that despite the SGR repeal and implementation of MIPS/APM framework, distortion in the Medicare physician fee schedule (PFS) remains a problem and continues to contribute to the primary care supply problem. A staff slide deck presented at the meeting highlighted MGMA data showing that compensation in primary care remains substantially lower than surgical and procedure-driven specialties, as well as radiology. MedPAC staff then walked through MedPAC’s work on this topic over the last 10 years, including recommending that Congress establish a standing panel of experts to help CMS identify mispriced services (as an alternative to the AMA RUC), expanding the multiple procedure payment reduction (MPPR) policy to new services, and collecting data from selected practices to forensically validate the assumptions that CMS uses to make adjustments to the PFS. The Commission noted that while many of these recommendations have not been implemented by Congress, it had set a 3-year requirement for CMS to identify and adjust overvalued services (in 2015, 2016, and 2017). MedPAC’s recommendations have historically been targeted at insuring that Medicare beneficiaries have adequate access to primary care.

CENTERING ON THE STATES

1. MACPAC DELIBERATES ON CHIP COVERAGE RECOMMENDATIONS

On September 15, the Medicaid and CHIP Payment and Access Commission (MACPAC) met to discuss draft specifications for their children’s coverage recommendations. MACPAC will report to Congress March 15 with recommendations on the Children’s Health Insurance Program (CHIP). The commission is still finalizing their draft and will vote on the final recommendations at their December meeting. Currently, it is anticipated that MACPAC will extend CHIP for five years; permit optional CHIP-funded exchange subsidies; and broaden state innovation waivers to integrate Medicaid, CHIP, and exchange coverage for children. Additionally, it is expected that the commission will recommended extending expiring provisions such as express lane eligibility authority for children in Medicaid and CHIP, funding for outreach and enrollment grants, pediatric quality measures and for childhood obesity demonstration projects to FY 2022.

2. AAFP STATE LEGISLATIVE CONFERENCE REGISTRATION OPEN

AAFP’s 2016 State Legislative Conference in Phoenix, AZ, October 27-29 is an opportunity to develop and enhance state-level advocacy skills and learn about "hot" health care topics including the implications of the new Medicaid managed care Final Rule, prescription drug abuse and public health. Registration is now open for the [State Legislative Conference](#).

3. MEDICAID EXPANSION AND SCOPE OF PRACTICE RESOURCES AVAILABLE

The AAFP Center for State Policy has released two new resources on [Medicaid expansion](#) and [scope of practice - nurse practitioners](#) aimed at helping chapters as they continue to advocate on behalf of family medicine.

THE EXECUTIVE BRANCH

- On September 13, CMS released [data](#) showing that 49 states and DC reduced avoidable hospital readmissions.
- CMS will host the following free educational call. [Registration](#) is required:
 - SNF Value-Based Purchasing Program Call, Sep 28, 1:30 pm ET
 - 2015 Annual QRURs Webcast, Sep 29, 1:30 pm ET
 - IMPACT Act: Data Elements and Measure Development Call, Oct 13, 1:30 pm ET

FAMMEDPAC

Thanks to strong support from AAFP members, FamMedPAC is close to becoming a \$1 million PAC in this election cycle having raised \$840 thousand in 2015 and 2016 to date. With the Congress of Delegates and FMX next week, FamMedPAC is poised to reach that goal. Please help us by donating online at the [FamMedPAC Donation Page](#). To learn more about how FamMedPAC fights for family medicine, visit the [FamMedPAC Web Page](#).

Last week, the PAC supported the following candidates:

- **Sen. Debbie Stabenow (D-MI)**, the Ranking Democrat on the Health Subcommittee of the Senate Finance Committee.
- **Rep. Diana DeGette (D-CO)**, a member of the House Energy and Commerce Committee.
- **Blue Dog PAC**, a committee that supports moderate House Democrats. Rep. Kurt Schrader of Oregon, the Chair of the committee, discussed the upcoming election.
- **Rep. Joe Kennedy (D-MA)**, a member of the Health Subcommittee of the House Energy and Commerce Committee and a member of the House Primary Care Caucus.
- **Rep. Ron Kind (D-WI)**, a member of the Health Subcommittee of the House Ways and Means Committee.
- **Sen. Patty Murray (D-WA)**, the Ranking Democrat on the Senate HELP Committee and the Senate Appropriations Committee's HHS Subcommittee.
- **Rep. Dave Reichert (R-WA)**, a member of the House Ways and Means Committee.
- **Rep. John Lewis (D-GA)**, a member of the House Ways and Means Committee.