

September 25, 2009

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NEXT WEEK IN WASHINGTON...

- * Senate Finance Committee reconvenes health reform debate on Tuesday.
- * The Senate will consider a Continuing Resolution that will permit current funding of government programs until October 31.

1. FINAL SENATE COMMITTEE TACKLES HEALTH REFORM LEGISLATION

On Tuesday, September 22, the Senate Finance Committee began deliberations on the draft bill, *The America's Healthy Future Act*, authored by Senator Max Baucus (D-MT). This is the final committee to debate comprehensive health reform. Senators on the committee filed some 550 amendments, and Senator Baucus accepted about 100 of them. After 3 days of debate, some 400 amendments remain. Senator Baucus hopes that the committee will complete its consideration by the end of the week, allowing the Senate to take up the bill later this month. The debate has resulted in any substantive changes to Senator Baucus's amended bill.

2. ENERGY & COMMERCE COMMITTEE COMPLETES HEALTH REFORM PROCESS

The Energy and Commerce Committee met Wednesday, September 23 to complete work on amendments to the health care reform bill that had not been voted on prior to the August recess. After a one-day session, the Committee passed a series of amendments, by a vote of 28-22, which had been agreed to by Chairman Henry Waxman (D-CA) and the senior Republican, Rep. Joe Barton (R-TX). This additional package now goes to the House Rules Committee to be combined with the previously approved health reform bills.

House Speaker Nancy Pelosi (D-CA) has said the bills from the House Energy and Commerce, Ways and Means, and Education and Labor committees likely will be merged by the end of this week, at the latest. However, differences remain around the precise structure of the public plan option. Among other issues, payment rates to providers differ: the Ways and Means measure would link payments to Medicare, while the Energy and Commerce committee would mandate that the public plan negotiate with providers for rates.

After the bills have been combined, the resulting legislation will go to the Congressional Budget Office to determine how much the bill will cost, which should take approximately 10 days. After receiving the bill's cost, House leaders will determine when to put the legislation on the floor for a vote. Due to the high political stakes associated with this bill, House leadership has taken a key role in determining the contents of a final bill.

Of particular interest to family physicians, prior to the end of the Wednesday Energy and Commerce debate, Rep. Diana DeGette (D-CO) had a formal discussion with Health Subcommittee Chairman Frank Pallone (D-NJ) regarding Title VII reauthorization. Rep. DeGette highlighted the importance of reauthorizing Title VII primary care workforce training provisions that were improved by the health care reform bill, but also wanted to ensure that the committee approved the provisions of the Title VII programs that fell outside the pending health reform legislation. Chairman Pallone acknowledged that the health reform bill targeted primary care training to facilitate access for all Americans and pledged to work with Rep. DeGette to reauthorize Title VII. AAFP continues to work with Rep. DeGette in support of her efforts.

3. DELAYS IN APPROPRIATIONS PROCESS REQUIRE MONTH-LONG STOP-GAP BILL

On Friday, September 25, the House passed a stop-gap funding bill known as a "continuing resolution" (CR) to keep most of the federal government operating at fiscal year 2009 funding levels through the end of October. Although the House has passed all 12 of its spending bills, none of the of the FY 2010 appropriations bills have been sent to the White House. The Senate has passed five of the appropriations bills but is not expected to act on a free-standing Labor-HHS-Education bill which would be a magnet for unrelated health reform amendments.

Without the CR, funding for many federal programs (including Titles VII) is set to expire on September 30. The Senate is expected to pass the CR before the October 1 start of the new fiscal year averting a government shutdown.

4. TITLE VII CHAMPION INTRODUCES REAUTHORIZATION

Sen. Jack Reed (D-RI) introduced the *Health Professions and Primary Care Reinvestment Act* (S 1720) on September 25. Sen. Reed's bill which seeks to reauthorize Title VII of the *Public Health Service Act* to provide improved training and primary care is cosponsored by Sen. Patrick Leahy (D-VT). The bill was referred to the Senate HELP Committee for action and is expected to be included in the final health reform legislation that the Senate will consider later this month. The five organizations representing family medicine sent a letter to Sen. Reed on September 8 commending his leadership on Title VII issues and thanking him for sponsoring the reauthorization bill.

5. FAMMEDPAC EVENTS

- **Rep. Rosa DeLauro (D-CT)**, who chairs the Agriculture Appropriations Subcommittee with jurisdiction over FDA funding. As the Assistant Democratic Leader, Rep. DeLauro, who also serves on the Labor, HHS, Education Appropriations Subcommittee and Budget Committee, had to leave promptly for a leadership meeting. A cancer survivor, Rep. DeLauro, is committed to enacting health care for all, but she is under no delusion that it will be easy. She is optimistic that the House will act on health reform and the FY 2010 appropriations bills.
- **Rep. Lois Capps (D-CA)**, who is on the Energy and Commerce Committee and its Health Subcommittee. Rep. Capps described the committee's action on health care so far, emphasizing the importance of primary care. A CA-based company that has a number of IPAs, recommended moving immediately to Accountable Care Organizations, rather than beginning with pilot projects. Rep. Capps said that ACOs were possible in an "ideal world," but that not all parts of the country were ready for

this change. The discussion also touched on the LTC CLASS act provisions, emergency care, Independent Medicare Advisory Commission and biometrics. Rep. Capps emphasized that some form of health reform would pass this year.

- **New Democrats'** reception, including **Reps. Allyson Schwartz (PA), Frank Kratovil (MD), John Barrow (GA), Bill Foster (IL), Adam Smith (WA), Dan Maffei (NY), Parker Griffith (AL), Debbie Halvorsen (IL)** and staffers for **Mike McMahon (NY)** and **Ron Kind (WI)**. We thanked Rep. Schwartz for her support of primary care and discussed the restrictions on the PCMH pilot in HR 3200. She is interested in AAFP's positions on health reform legislation. Rep. Foster said a proposal being discussed would make the public option in the House bill a state option; i.e., it would be up to states to determine if they want to use the public option or not. This would promote more experimental activity in the "state laboratories."
- **Rep. Pat Tiberi (R-OH)**, who is a member of the Ways and Means Committee. Rep. Tiberi believes President Obama has boxed himself into a corner on health care reform by listening to liberals within the Democratic Party. He believes that Speaker Pelosi will develop a House bill that will include a public option with payment tied to Medicare. He pointed out that he voted against his party 2 or 3 times to override President Bush's veto of an SCHIP bill. Rep. Tiberi understands that we like certain provisions of HR 3200 including the emphasis on primary care payment and workforce, SGR reform and Medicaid payment parity with Medicare. But he believes that liability reform must be included and that the role of government in health care should not be expanded.

6. MONTANA BEGINS EXPANDING PUBLIC COVERAGE OF CHILDREN

State officials unveiled a plan Wednesday, September 23, to dramatically expand government health insurance to children following the October 1 implementation of the Healthy Montana Kids program. The initiative was approved by a large margin last November. It combines the previously separate Children's Health Insurance Program and Medicaid for children, while significantly simplifying the application and administration process. In total, the two programs currently serve about 70,000 children. The Department of Public Health and Human Services estimates another 30,000 could be added under the new program for \$112 million over the next two years. Of that, about a fifth is paid for by the state and the rest comes from federal programs.

7. LEGISLATION TO EXPAND LIABILITY LAW ON THE MOVE IN WISCONSIN

The Wisconsin Legislature is considering bills to open up a new avenue for trial lawyers. These bills would allow adult children to sue for loss of society and companionship for their parents, and parents to sue for the same over loss of their adult children, in medical liability cases.

Both bills have passed out of committee and will likely be debated and voted on by the each chamber of the legislature very soon. The Wisconsin AFP is fighting the legislation actively and is urging all WAFP members to contact their Assembly members.