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NEXT WEEK IN WASHINGTON...

- * CBO estimate for the House health reform bill should be released.
- * The Senate Judiciary Committee will hold a hearing on Health Care Fraud.
- * House & Senate may vote on a continuing resolution to fund government through mid-December

1. SENATE VOTE DERAILS LONG-TERM MEDICARE PHYSICIAN PAYMENT FIX

A procedural vote in the Senate on Wednesday, October 21 effectively killed the *Medicare Physician Fairness Act* (S 1776), which sought to prevent cuts to Medicare's physician payment rates over the next decade. The AAFP pledged to continue the effort to repeal the SGR and thanked the bill's sponsor, Sen. Debbie Stabenow (D-MI), for her work.

On a vote of 47 to 53, the Senate failed to invoke cloture on the motion to proceed on S 1776. All of the Senate Republicans voted no, expressing frustration at their inability to offer amendments and citing a failure to offset the bill's \$245 billion cost. Thirteen Democrats joined them in opposition to the bill. The tally was 13 votes short of the 60 needed to invoke consider the bill. For information on [how your Senators voted, use this hyperlink to the Senate's legislative database.](#)

Although House Democratic leaders have committed to pass a long-term "doc fix" this year with offsetting spending cuts, it is likely that Congress will enact a one year "fix" to hold off the 21 percent cut in Medicare physician payments scheduled to take effect next January.

Meanwhile, late Thursday, House Speaker Nancy Pelosi (D-CA) acknowledged she did not have the necessary 218 votes to include a "robust public plan" in the House health care measure and said she was exploring so-called "weak public plan" alternatives, such as those including negotiated Medicare rates. On the Senate side, Majority Leader Harry Reid surprised many by indicating support for a public plan option in the Senate bill. In that body, so-called "weak" public option proposals include a state opt-out provision or a trigger for areas without health care coverage similar to what was included in the Medicare Part D law.

2. AAFP LEADERSHIP & GRASSROOTS MEET WITH KEY LEGISLATORS

Drs. Ted Epperly, Lori Heim, Roland Goertz, Doug Henley, Danny Proffitt and Ken Bertka went to Capitol Hill on October 21 to take our message to the House and Senate. Meetings focused on four issues: 1. support for health care coverage for all; 2. passage of the *Medicare Physician Fairness Act* (S 1776); 3. Medicare GME reform; and 4. support for the CMS physician payment rule.

Arkansas President Dr. Proffitt told the health aide to **Sen. Mark Pryor (D-AR)**, that the Academy is working to bring the patient-centered medical home to all and has long supported expanding health care coverage. Sen. Pryor voted for the cloture motion on S 1776.

The group also met with **Sen. Blanche Lincoln (D-AR)** who thanked family doctors for all they do and lauded their importance to the nation's health care system. Sen. Lincoln emphasized the importance of "growing our own" family doctors as the only solution to primary care physician shortage in her state. Sen. Lincoln would like to fix the SGR but thinks it should be paid for. She admitted that primary care needs a "bump up," but believes that some of the objections to revaluing physician services (procedures) seem reasonable.

Two staffers to **Senate Republican Whip Jon Kyl (R-AZ)** met with the group. Sen. Kyl's health LA explained that Democrats had left Republicans out of health reform meetings and would not allow them to offer amendments to S 1776. Consequently, while Sen. Kyl has long supported payment reform, he voted against cloture. The Senator's staff suggested that nothing would be done on physician payment until all of the medical community agreed on a solution. The staffer pointed out that the opposition of cardiologists, radiologists and others would prevent any budget neutral reforms from passing.

Dr. Bertka led the meetings with staff from **Sens. Sherrod Brown (D-OH)** and **George Voinovich (R-OH)**. Both offices were interested in pursuing the GME legislation and indicated interest in communicating with HHS Secretary Kathleen Sebelius on the CMS rule. Sen. Brown's staff indicated that although he supports a public plan, nothing is a "deal breaker" for him at this point. He supports workforce reforms and expects the SGR language to appear in conference. Sen. Brown hears regularly from Ohio medical students who say they cannot afford to become primary care physicians.

Sen. Voinovich supports "meaningful health reform" but staff noted this does not include the current bills. He did not support S 1776 because there were no "pay-fors." Voinovich believes the SGR fix should be included in any health care reform bill -- but paid for with offsets.

Drs. Heim and Goertz met with **Rep. Dennis Cardoza (D-CA)**, a member of House leadership and of the fiscally-conservative Blue Dog coalition. Cardoza also serves on the powerful House Rules Committee. In a significant move, he agreed to introduce family medicine's GME Modernization Pilot as an amendment in the Rules Committee. Rep. Cardoza also supports our position on the CMS rule.

Drs. Epperly, Heim, Goertz and Henley met with the health policy advisor to **House Republican Whip Rep. Eric Cantor (R-VA)**. Since the Senate cloture vote had failed by the time of the meeting, Rep. Cantor's advisor talked about a two or three year physician payment update, with an adjustment to the "cliff." The House GOP is strongly opposed to any health reform legislation containing a public plan, but they see the need for medical liability reform.

3. AFMAA HILL VISITS PROMOTE PRIMARY CARE TRAINING

Residency Director Allen Perkins, MD met Thursday with the health LA to **Sen. Richard Shelby (R-AL)** to request the Senator's support for a floor amendment during consideration of health care reform to pilot test models for funding primary care training. Dr. Perkins presented a letter

of support from University of Southern Alabama. AAFP staff mentioned that **Sen. Jon Tester (D-MT)** was very interested in carrying the amendment and that he had expressed a specific interest in working with Sen. Shelby.

Dr. Perkins also visited the office of **Rep. Jo Bonner (R-AL)** to explore his interest in a potential amendment in the Rules Committee on the same issue. Rep. Bonner's health LA was intrigued by the idea and acknowledged the Congressman's interest in initiatives that would address the needs of rural portions of his district. AAFP staff indicated that **Rep. Cardoza** would carry the amendment to Rules and would welcome Rep. Bonner's support.

4. HEALTH INSURANCE ANTITRUST ENFORCEMENT BILL PASSES HOUSE COMMITTEE

On Wednesday, October 21, the House Judiciary Committee approved, 20-9, the *Health Insurance Industry Antitrust Enforcement Act* (HR 3596), to ensure that health insurance issuers and medical liability insurance issuers cannot engage in price fixing, bid rigging, or market allocations to the detriment of competition and consumers. House Speaker Pelosi said Thursday that the health care legislation will seek to repeal the McCarran-Ferguson Act's antitrust law exemption enjoyed by health insurers. The Senate version of the *Health Insurance Industry Antitrust Enforcement Act* (S 1681) has the strong support of Senate Democratic leadership, which is expected to include it in their final health reform bill.

5. HOUSE CLEARS REAUTHORIZATION OF HIV/AIDS PROGRAM

The House on Wednesday, October 21 cleared, 408-9, a bill (S 1793) that would reauthorize the Ryan White HIV/AIDS program, which provides medical care and other assistance to low-income AIDS and HIV patients. The Senate passed the bill by unanimous consent on October 19. The President is expected to sign this bill to reauthorize the program through FY 2013.

6. FamMedPAC RAISES ALMOST \$50K AT COD AND ASSEMBLY IN BOSTON

FamMedPAC received \$47,800 in donations from attendees at the Congress of Delegates and the Scientific Assembly last week in Boston. Delegates at the Congress contributed \$40,000, while members visiting the Government Relations booth at the AAFP Marketplace during Assembly donated just under \$8,000. This figure is almost \$10,000 more than the total from last year's COD and Assembly.

Donors to the PAC at the Club George level (\$365) and above attended a "thank-you" reception on Thursday night in Boston. Members of the AAFP Board of Directors and the FamMedPAC Board joined other donors at the reception. Family Medicine Residents from the Cabarrus Family Medicine Residency Program in North Carolina presented FamMedPAC Board Chair Dr. Michael Fleming with contributions from every resident in the program. This marks the second time that the Cabarrus program has had 100% participation in FamMedPAC from its residents. The Cabarrus residents have issued a challenge to other residency programs to meet their 100 percent participation level.

GR staff attended a general fundraiser for **Sen. Ron Wyden (D-OR)** and AAFP was one of only a few physician groups represented. The evening was dominated by health reform discussion, and the Senator explained his "no" vote on S 1776 by saying it did not represent "real Medicare reform." When asked about AAFP's Medicare GME proposal, Sen. Wyden was interested and suggested using some of the \$4 billion that currently is dedicated to jobs training.

7. AAFP LEADERSHIP ATTEND PCPCC SUMMIT IN WASHINGTON

On Thursday, October 22, Drs. Epperly, Heim, Goertz and Henley attended the Patient-Centered Primary Care Collaborative, an all-day event designed to educate and energize participants around the patient-centered medical home. Five-hundred people participated in the AAFP-founded organizational event and it occurred at the DC Convention Center due to a sharp increase in attendees over the last few years. Speakers included representatives from the

White House, House Speaker Pelosi, the House Energy and Commerce Committee and numerous individuals from academia and industry. Representative Allyson Schwartz (D-PA) was the luncheon's keynote speaker.

8. AAFP CONNECT FOR REFORM: CALLS FOR ACTION

Last week, AAFP Connect for Reform was a key presence at the COD and Scientific Assembly as Government Relations staff encouraged attendees to send emails to their Senators and Representatives. In total, AAFP members sent 1,401 emails to their Senators and Representatives in support of health care reform and 2,218 emails to their Senators in support of S. 1776, the *Medicare Physician Payment Fairness Act*.

9. MICHIGAN SENATE SUBCOMMITTEE TAKES UP "DOCTOR TAX" LEGISLATION

On Wednesday, October 21, the Michigan Senate Appropriations Subcommittee on the Department of Community Health took up the so-called "doctor tax" legislation. The bill would levy a 3 percent tax on physician practices' gross revenue as part of a Medicaid financing plan. The proposal would be known as the Physician Quality Assurance Assessment Program (QAAP) and aim to use its revenues to allow the state to draw down additional Federal Medicaid funds. The extra Medicaid dollars would be returned to physician practices, resulting in greater Medicaid payments to physician practices.

Physicians have noted that it would take too long for the payments to trickle down in a meaningful way. In particular, rural practices and those serving Medicaid and the uninsured could be hit hard. A physician rally was held at the Capitol in Lansing on October 21, the same day Michigan AFP President David Waldsworth, MD, testified before the subcommittee in opposition to the bill.