

GOVERNMENT AFFAIRS WEEKLY

A Report to the Board of Directors

February 16, 2007

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1. HHS SECRETARY JUSTIFIES PRESIDENT'S BUDGET

On Tuesday, February 13, HHS Secretary Mike Leavitt presented the President's FY 2008 budget proposal to the Budget Committees of the Senate and the House. He described the President's proposed cuts as "weight reduction not amputation."

Chairman Sen. Kent Conrad (D-ND) criticized the President for not dealing with the scheduled 10-percent cut in Medicare physician reimbursements and predicted that the Congress would not allow the physician payment cuts to go forward. Senators Russ Feingold (R-WI) and Bob Menendez (D-NJ) criticized SCHIP cuts. The criticism was bipartisan: Senator Wayne Allard (R-CO) complained about SGR and pointed to Colorado doctors who have begun to decline to see Medicare beneficiaries because of inadequate reimbursements. Sec. Leavitt said that HHS has not seen a decline in the number of physicians who accept Medicare beneficiaries and that payment should be increased to doctors meeting quality standards. Senator Ben Cardin (D-MD) criticized the budget for eliminating programs meant to address rural and ethnic health disparities specifically Health Profession Minority Training Programs.

In the House, Reps. Mike Conaway (R-TX) and Darlene Hooley (D-OR) raised concerns about SGR ratcheting down payments. Leavitt agreed that the system needs a permanent fix. Rep. Joe Schwartz (D-PA) is frustrated by SCHIP cuts.

2. ACCESS TO HEALTH CARE

The House Labor-HHS-Education Appropriations Subcommittee held a hearing on Health Care Access and the Aging of America on February 15, 2007. Reed Tuckson, MD, Executive VP and Chief of Medical Affairs for UnitedHealth Group; James Marks, MD, MPH, Senior VP and Director of the Health Group the Robert

Wood Johnson Foundation; Ron Pollack, Executive Director of Families USA; and Mary Jane Koren, MD, MPH, Assistant VP of the Commonwealth Fund and Member of the National Commission for Quality Long-Term Care were witnesses. The witnesses called for AHRQ to study assessment data and for CDC to expand prevention spending. They also recommended reorganizing payments to match patient needs through patient-centered care. Mr. Pollack recommended integrating the SCHIP application into the school lunch program to get more children covered. Tuckson and Pollack pointed to the work of the Health Coverage Coalition for the Uninsured (HCCU) as ground-breaking and key to meeting the needs of the uninsured.

3. INCREASED FUNDING FOR PRIMARY CARE TRAINING

Four and one-half months into fiscal year 2007, the President signed the spending bill to fund the federal government through September 30, 2007. The new law provides \$184 million for Title VII programs. Primary care and dentistry training get \$48.8 million, an increase over last year's level of \$40.9 million.

4. MENTAL HEALTH PARITY

On Wednesday, February 14, the Senate Health, Education, Labor and Pensions Committee approved the *Paul Wellstone Mental Health Equitable Treatment Act* (S. 558) on a bipartisan vote of 18 to 3. The bill would require that insurers offering mental health coverage impose financial requirements (e.g., deductibles, co-payments, annual and lifetime limits) for mental health benefits that are no more restrictive than those applied to other medical benefits. In addition, the plan also must ensure that treatment limitations applied to the benefits are no more restrictive than those applied to other medical benefits.

5. FDA AUTHORITY OVER TOBACCO

Senators Edward Kennedy (D-MA) and John Cornyn (R-TX) introduced the *Family Smoking Prevention and Tobacco Control Act* (S. 625), which would allow the Food and Drug Administration to regulate tobacco products. The FDA could regulate tobacco marketing and manufacturing but could not ban tobacco outright. The Senate HELP Committee will hold a hearing on the bill on February 27. Representatives Henry Waxman (D-CA) and Tom Davis (R-VA) are preparing to introduce a companion bill which already has some 100 cosponsors.

6. BANNING GENETIC DISCRIMINATION

On Wednesday, February 14, the House Education and Labor Committee approved the *Genetic Information Nondiscrimination Act* (H.R. 493) by voice vote. The bill, sponsored by Rep. Louise Slaughter (D-NY), would prohibit genetic discrimination by employers and health insurance providers. On January 31, the Senate Health, Education, Labor and Pensions Committee approved a version of the bill (S. 358), introduced by Senator Olympia Snowe (R-ME).

7. PATIENTS' BILL OF RIGHTS

Energy and Commerce Committee Chairman, Rep. John Dingell (D-MI) introduced the *Patients' Bill of Rights* (H.R.979) on the eve of the death of the bill's Republican cosponsor, Rep. Charlie Norwood (R-GA). The bill to allow patients to sue health plans was first introduced in 1998, but collapsed under partisan squabbling in 2001.

8. STATE GOVERNMENT ACTIVITIES

- ***HPV Vaccination Mandates***

With state legislatures moving quickly on HPV, chapters received the AAFP policy on HPV mandates for school entry. This policy was disseminated to constituent chapters and posted on the State Advocacy list serve. There are 50 active bills in 31 states and the District of Columbia.

- ***Anatomic Pathology***

Ten states are addressing 17 bills dealing with restriction of billing codes to pathologists. Government Relations staff developed an issue brief on the topic in 2006 that was updated during the summer in response to several ethical issues. Staff is sharing with the chapters the documents used by other states to address this legislation.

- ***Patient-Centered Medical Home***

Government Relations staff is offering its first Health Policy Web Seminar to chapter staff and leadership on the Patient-Centered Medical Home. The staff already have provided chapters background information. Legislators have shown great interest in the medical home concept with some asking for direction in crafting legislation. The purpose of the seminar, scheduled for Wednesday, February 28, is to provide a common understanding of the issue.

- ***Chapters Increasing Use of Speak Out***

Staff have set up nine state targeted Speak Out alerts addressing issues such as Medical Education Financing, Pharmacists Scope Expansion, Smoke Free Workplace, and Licensure of Naturopaths. Currently, there are active alerts for Colorado, Florida, Indiana, Kansas, Kentucky and West Virginia.