



GOVERNMENT AFFAIRS WEEKLY

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IN THIS REPORT...

1. AAFP Pushes Congress on Physician Payment and Children's Health Insurance
2. HRSA Asks AAFP for Guidance on How to Train for Medical Home
3. Clinton Campaign Looks to Family Medicine for Advice
4. Of Interest to Family Physicians...
 - Weems Is Named Acting Director of HHS

1. THE SENATE HEARS FROM AAFP ABOUT CHILDREN'S HEALTH INSURANCE AND PHYSICIAN PAYMENT

AAFP has engaged in a full-court press to persuade Congress to pass, by September 30, legislation to reauthorize the States' Children's Health Insurance Program (SCHIP) and an increase in Medicare's payments to physicians. This multi-pronged effort involves:

- asking members to contact their Senators through Speak Out,
- having federal key contacts call their Senators,
- conducting visits to critical Senate offices by AAFP leadership,
- stepping up coalition activities, and
- building on all of this by continued staff contacts with Congressional aides.

The message is that Senators should include a multi-year positive update for Medicare payments to physicians in a bill to reauthorize SCHIP and pass the bill on to the President. SCHIP must be reauthorized by September 30 or it will expire.

AAFP's President Visits Senate Offices

Dr. Rick Kellerman, AAFP President, met separately with staff with Senator Pat Roberts (R-KS), with Senator Jon Kyl (R-AZ) and with Senate Finance Committee Majority.

Senator Roberts' staff confirmed his support for the "medical home" concept and for several rural provisions in the SCHIP bill, including the work-GPCI floor and the physician scarcity bonus (PSB). According to his staff, he favors, and would continue to work toward, a modest Medicare physician payment update for 1-2 years.

In his meeting with the Finance Committee staff, Dr. Kellerman noted that the Senate bill to reauthorize the children's health insurance program does not include physician payment provisions. The Committee staff explained that is because the Senate prefers to address Medicare issues separately from SCHIP. In addition, it was necessary to keep the costs of the bill as low as possible to minimize the opposition and the need to find painful offsets in the budget. However, the committee leaders remain committed to preventing the cuts to physician payment. He asked Dr. Kellerman about the types of provisions that should be included in their Medicare bill which he anticipates will be considered in mid-October.

The policies discussed included the “medical home” and other ways of increasing the emphasis on primary care. The staff also expressed support for continuation of the Physician Quality Reporting Initiative (PQRI) that CMS is just beginning to implement.

How much significant an increase Congress can provide for the next two years of physician payments depends upon how much money can be found in offsets. The Finance Committee leaders are working toward finding offsets totaling approximately \$25 billion which may be sufficient to accomplish a modest increase in physician payments for two years and may include some rural provisions that are important to the chairman, Senator Max Baucus (D-MT) and the senior Republican member, Sen. Chuck Grassley (R-IA).

Depending on the outcome of House-Senate negotiations on their separate bills to reauthorize SCHIP and the disposition of any bill by the president, it is possible that, despite the Finance Committee’s preferences, a bill merging in the Senate of SCHIP and physician payment could be offered later in the fall.

In his meeting with staff for Sen. Kyl, who has been a strong advocate for improving physician payment, Dr. Kellerman learned that the Senator is opposed to the Senate SCHIP bill (which would add \$35 billion to cover additional uninsured children). He instead supports a simple \$8 billion reauthorization bill, which he would pay for by cutting the state Medicaid administrative match to 50 percent. He is opposed to reducing payments to Medicare Advantage plans. The Senator also is opposed to increasing the tobacco tax for the simple reason that he opposes almost any tax increase.

The Senator's view is that the medical community must come together with a single modest proposal for funding the update for Medicare payment to physicians. If that happens, in his view, the Senate will approve a reauthorization of SCHIP (severely pared down) and a physician payment fix in mid-December. He does support a modest 2-year increase so that legislators can have the time to determine out how to fix the program permanently.

Finally, the staff revealed that Sen. Kyl, who just turned 65, was told by his physician that he no longer accepts Medicare patients, including current patients -- even if they have been with him for years. While Senator Kyl already understands how declining payments affect access to health care, this personal anecdote drove home the point.

The AAFP Members Join the Effort

AAFP members and Key Contacts have sent 1,065 messages to Congress asking them to support the CHAMP Act. In total, over 3,000 messages have been sent to Congress requesting a Medicare payment increase since June 2007.

During August recess, two AAFP Key Contacts reported on their meetings with their legislators. Dr. Kevin Wong met with Rep. Tim Murphy (R-PA) and Dr. Charles Leonard met with Rep. Zach Wamp (R-TN) to discuss issues important to family medicine including the CHAMP Act.

2. HRSA ADVISORY COMMITTEE

Dr. Rick Kellerman, AAFP President, and Dr. Bob Phillips, Director of the AAFP’s Robert Graham Center, testified at the Health Resources and Services Administration (HRSA) Advisory Committee on Training in Primary Care Medicine and Dentistry on Thursday, September 6. The Committee advises the Secretary of Health and Human Services and Congress on the operation and funding of the Health Professions Training Grants for Primary Care and Dentistry.

In preparation for the committee's seventh annual report on training health professionals, it has asked AAFP for information on how physicians will operate in the medical home model. Drs. Phillips and Kellerman outlined the key research in support of training for the medical home. They described the efforts underway in family medicine to transform medical practice and the study of best practices for adapting medical training, especially through the Preparing the Personal Physician for Practice (P⁴) initiative.

HRSA Administrator Elizabeth M. Duke, Ph.D. and the new Associate Administrator for the HRSA Bureau of Health Professions, Marcia K. Brand, Ph.D., also addressed the Committee. Dr. Duke spoke about the work of the Bush Administration to increase health and dental care access using grants to Community Health Centers.

3. CLINTON PRESIDENTIAL CAMPAIGN SEEKS AAFP ADVICE

The presidential campaign of Sen. Hillary Clinton (D-NY) asked for the advice of AAFP in preparation for her speech in Dartmouth in August on improving health care quality. Dr. Bruce Bagley, Medical Director of Quality Improvement for AAFP, and Kevin Burke, Director of Government Relations, met separately with campaign staff at their request to review the Senator's quality proposal and to encourage the Senator to support the primary care medical home model and other quality improvement steps that AAFP endorses. AAFP staff members have met with the policy staff of several campaigns of both parties in order to make sure family medicine is part of any health care proposal offered by the candidate.

4. OF INTEREST TO FAMILY PHYSICIANS...

- *Kerry Weems Appointed to Serve as Acting Director of CMS*
Currently serving as Deputy Chief of Staff for HHS Secretary Michael Leavitt, Kerry Weems has been appointed by President Bush to serve as the Acting Director of CMS pending the Senate's confirmation of his nomination to serve in that job. Weems, who is a 20-year veteran of HHS, has run into some opposition in the Senate because of his lack of policy experience. If the Senate does not act on his nomination, he may serve as Acting Director until the end of the President's term.