



# GOVERNMENT AFFAIRS WEEKLY

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### 1. SCHIP VETO OVERRIDE VOTE DELAYED TO BUILD PRESSURE FOR PASSAGE

As expected, President Bush vetoed the *Children's Health Insurance Program Reauthorization Act*, drawing criticism from Democrats and setting up an override showdown that could be politically difficult for some Republicans. Anticipating a very close vote, House Democratic leaders postponed until October 18 the attempt to override the veto while they work to make a "no" vote as politically unpalatable as possible for Republicans. The bill vetoed Wednesday would expand the State Children's Health Insurance Program (SCHIP) by \$35 billion over the next five years, to \$60 billion.

### 2. MEDICAID TAMPER-PROOF PRESCRIPTION PAD REQUIREMENT DELAYED

President Bush signed into law HR 3668, which effectively delays the new requirement that all written Medicaid prescriptions be done on a tamper-resistant pad. The requirement was not repealed, it now merely will go into effect six months later than originally scheduled, on April 1, 2008 rather than on October 1, 2007. To qualify as a tamper-proof, prescription pads must contain at least one of three "industry recognized characteristics" by April 1, according to CMS. By October 1, 2008, prescription pads will be required to carry all three characteristics.

### 3. SENATE TO DEBATE HHS APPROPRIATIONS IN MID-OCTOBER

Congressional Democrats plan to make the Labor-HHS-Education spending bill the next major domestic policy fight with President Bush after the SCHIP reauthorization. The Senate will begin debate on the \$150 billion bill as early as October 15 with a goal of quickly reconciling the differences between the House and Senate measures. The House passed its version of the Labor-HHS-Education appropriations bill by one vote shy of a veto-proof majority. President Bush has threatened to veto the House bill because it contains \$11 billion more than he requested. The Senate legislation contains about \$9 billion more than the President's request.

Senate Appropriations Labor, HHS, Education and Related Agencies Subcommittee Chair Tom Harkin (D-Iowa) has said that he hopes to avoid controversial items in the bill but acknowledged that the language expanding stem cell research funding could complicate passage and enactment of the bill. Both the House and Senate bills would restore Title VII Primary Care Medicine Training Grants to the fiscal year 2007 level in spite of the President's request that they be eliminated.

#### **4. MEDICARE PART B MONTHLY PREMIUM TO INCREASE BY 3.1 PERCENT IN 2008**

CMS on Monday announced that the standard monthly premium for Medicare Part B, which covers physician visits and outpatient hospital care, will increase by \$2.90, or 3.1 percent, to \$96.40 in 2008 – the smallest increase since 2000. Data released by the CMS Office of Actuary attributes the increase to spending growth in private Medicare Advantage plans.

#### **5. HOUSE SUBCOMMITTEE CONSIDERS FDA REGULATION OF TOBACCO**

Democrats on the House Energy and Commerce Health Subcommittee said Wednesday that the Food and Drug Administration (FDA) should have the authority to regulate tobacco to stop cigarette manufacturers from marketing their products to teens. Republicans on the panel, along with FDA Commissioner Andrew von Eschenbach in written testimony, said the bill (HR 1108) could undermine the agency's mission to improve public health.

In August, the Senate Health, Education, Labor and Pensions Committee approved legislation (S 625) to give the FDA the power to regulate tobacco, financed by a fee charged to tobacco manufacturers amounting to about 2.5 cents per pack of cigarettes.

At the hearing, Alan Blum, MD, from the Center for the Study of Tobacco and Society at the College of Community Health Sciences of the University of Alabama, misstated the AAFP position on the bill. In order to correct the record, the Academy released the following statement attributable to Rick Kellerman, MD, Board Chair: "Contrary to testimony given by Alan Blum, M.D., before the Health Subcommittee of the Energy and Commerce Committee, the American Academy of Family Physicians (AAFP) did not withdraw support of the "Family Smoking Prevention and Tobacco Control Act" (S. 625/H.R. 1008), which would give the FDA authority to regulate tobacco products. The AAFP feels this legislation represents a step forward in protecting the American public, especially children, from the harm caused by tobacco products."

#### **6. WI AFP Fights Attempts to Undermine Liability Reform**

The Wisconsin Injured Patients and Families Compensation Fund (IPFCF) is credited widely with stabilizing the medical liability insurance market in the Badger State. However, with a budget crisis, the two chambers of the state legislature are at odds over redistribution of the approximately \$175 million in the IPFCF coffers. The Wisconsin AFP is strongly supporting preserving the Fund in its entirety. To date, the WAFP has issued a press statement, launched a radio advertisement, distributed an op-ed for placement in newspapers statewide and asked members to contact their legislators by phone and Speak Out. All of these materials are available online at [http://www.wafp.org/a\\_pcfGrassroots.asp](http://www.wafp.org/a_pcfGrassroots.asp). Currently, nearly 100 legislators have heard from WAFP members on this vital issue.

#### **7. Of Interest to Family Physicians...**

- **RISING CHRONIC DISEASE RATES INCREASE ECONOMIC BURDEN**

The cost to the U.S. economy of treatment and lost productivity caused by chronic illnesses among U.S. residents is more than \$1.3 trillion per year, and if current trends are not reversed, costs could reach \$6 trillion by 2050, according to a report released Tuesday by the Milken Institute. The report calls for prevention and early intervention by providing incentives to health care providers.