



GOVERNMENT AFFAIRS WEEKLY

AAFP Division of Government Relations — 2021 Massachusetts Avenue, NW — Washington, DC 20036

October 19, 2007

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1. HOUSE FALLS THIRTEEN VOTES SHORT OF OVERRIDING PRESIDENT'S VETO

On Thursday, October 18, the House of Representatives failed to override President Bush's veto of the *Children's Health Insurance Program Reauthorization Act* (HR 976). The vote failed, 273-156, falling 13 votes short of the two-thirds majority needed. Forty-four Republicans voted in support of an override, and 154 voted against it. All but two Democrats voted to override.

House Speaker Nancy Pelosi (D-CA) said Democrats would immediately begin work on another children's health bill to send to the president. She would not offer details about how the bill might change, except to say Democrats will not consider a funding source other than the 61-cent increase in the cigarette tax used in the vetoed bill and that any new bill must cover 10 million children, as the vetoed one would.

2. FAMILY PHYSICIANS SPEAK OUT

In a little more than one week, AAFP members sent over 900 advocacy messages to Congress on SCHIP. Members thanked Representatives who voted for the SCHIP reauthorization bill and asked those who initially opposed it to vote to override the President's veto on October 18.

3. CMS FAILS TO AUDIT MEDICARE ADVANTAGE PLANS

Tuesday, October 16, the House Ways and Means Subcommittees on Health and Oversight held a joint hearing on "Accountability and Oversight in the Medicare Advantage Program".

A witness from the U.S. Government Accountability Office (GAO) testified on a July report, *Medicare Advantage: Required Audits of Limited Value*, which noted that from 2001-2005, CMS repeatedly failed to conduct required audits of one-third of Medicare Advantage plans. In addition, GAO found there was a net \$35 million overpayment to plans. GAO criticized CMS for not amending its regulations to provide for recovering the overpayments, and stated it believed CMS currently has the authority to recover the funds.

Tim Hill, the CMS CFO, testified that CMS is doing all it can to assure funds are spent appropriately and that beneficiaries are protected. Hill testified, and restated under heated questioning, that CMS does not have the statutory authority to promulgate regulations for recovery of overpayments. .

Subcommittee Democrats repeatedly pressed about recovering the overpayments. Republicans, on the other hand, did not defend CMS on its failure to recover the overpayments but focused on the lower error rate in MA (.04 percent), compared to the 4.4 percent error rate for Medicare FFS. Health Subcommittee Chairman, Rep. Pete Stark (D-CA) conceded that the rate for FFS is higher, but noted that CMS had reduced the FFS error rate from the previous 14 percentage point high.

Rep. Sam Johnson (R-TX) asked about the alleged 21,000 physicians participating in the Medicare program who had been identified as owing the Internal Revenue Services (IRS) back taxes. CMS stated it has been working with IRS to recover outstanding taxes from physicians.

4. SMALL BUSINESS HEALTH INSURANCE AS A STEP TOWARD GREATER COVERAGE

Senator Barack Obama (D-IL) and Sen. Gordon Smith (R-OR) are working on legislation to help lower the cost of health insurance for small businesses and have asked for advice from family medicine. Their proposal would create regional health insurance “exchanges” as quasi-public entities that would determine minimum basic coverage standards and common guidelines for additional coverage and that would contract with health plans to offer common health insurance that small businesses could purchase for their employees. The purpose of the legislation is to avoid the entrenched politics of Association Health Plans and help make health insurance an affordable option for small business. The Senators’ staff are looking for advice on the make up of the basic benefit package and whether the plan would provide physicians with sufficient reimbursement.

5. INFORMATION ON PRESIDENTIAL CANDIDATES’ HEALTHCARE POSITIONS

The AAFP will organize information for members on where the presidential candidates stand on matters of interest to family physicians. Issues will include Medicare payments to physicians; the implementation of the patient centered medical home; elimination of health care disparities; improved access to health care; medical liability reform; and assistance for students and residents of family medicine. This information will be available on the AAFP’s website.

6. FamMedPAC ACTIVITIES

- *Meeting with NRCC*

Washington, D.C. staff met with the Executive Director of the National Republican Congressional Committee and the PAC Director of the NRCC to object to the NRCC's plans to attack Democratic Members of Congress who voted in favor of the House's version of the SCHIP reauthorization legislation, which also addressed the Medicare physician payment formula. The NRCC is running attack ads in targeted districts that claim Democrats voted to increase taxes and cut Medicare. Even though FamMedPAC has made a contribution to the NRCC earlier this year, AAFP staff reiterated family medicine’s support for the legislation and expressed concern that the ads were attacking Congressional Members who agree with the AAFP. The NRCC staff said they understood our concern, but they claimed their job was to defeat as many Democrats as they could and by whatever means necessary. They did claim that their attack ads do not mention physician payment.

The value of the meeting was to reinforce how much attention members of AAFP are paying to the issue of physician payment and that support for the issue is a factor in the FamMedPAC contribution decision making process.

- *Success at Assembly and Congress of Delegates*
FamMedPAC had a booth at both the Congress of Delegates and in the exhibit hall at Scientific Assembly earlier this month in Chicago. Almost 165 members contributed a total of more than \$38,000.
- *Fundraising Totals*
Some 1,244 AAFP members have donated a total of \$333,795 to FamMedPAC in 2007. A total of \$395,037 was collected in all of 2005 and 2006. FamMedPAC hopes to raise more in 2007 than in 2005 and 2006 combined.

7. OF INTEREST TO FAMILY PHYSICIANS...

- *Mental Health Parity Makes Will Be Debated in the House*
The House Energy and Commerce Committee approved the *Paul Wellstone Mental Health and Addiction Equity Act* (HR 1424) on Tuesday, October 16, overcoming Republican attempts to make it more like the Senate version (S. 588). Both the House bill and the Senate measure would require health insurers that offer mental health benefits as part of an insurance plan to make them equal to traditional medical and surgical benefits. However, the House bill goes further in what it would require insurers to cover. The Senate passed its bill by voice vote September 18.
- *House Passes Measure on Postpartum Depression*
By a vote of 382-3, on Monday, October 15, the House passed the *Melanie Blocker-Stokes Postpartum Depression Research and Care Act* (HR 20), which would encourage the study and treatment of postpartum depression. The bill would authorize \$3 million in grants for the National Institutes of Health to expand research initiatives and increase public awareness of the condition.