

June 3, 2011

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## NEXT WEEK IN WASHINGTON...

- \* The House is in recess next week.
- \* The Senate Finance Committee will consider deficit reduction in a hearing on Tuesday, June 7.

## 1. HEALTH INFORMATION TECHNOLOGY IN SMALL PRACTICES

On June 2, the House Small Business Subcommittee on Healthcare and Technology held a hearing entitled, *Not What the Doctor Ordered, Health IT Barriers for Small Medical Practices*. Witnesses included Farzad Mostashari, MD, National Coordinator for Health Information Technology; Karen Trudel, Acting Director, Office of E-Health Standards and Services, CMS; and Sasha Kramer, MD, on behalf of the American Academy of Dermatology.

Dr. Mostashari spoke primarily on the challenges small practices face when purchasing HIT and the efforts HHS is making to address them; Ms. Trudel discussed the HITECH incentive payments. Dr. Kramer described her own story with HIT and recommended that the committee "provide sufficient financial resources; delay the penalties until an integrated system is in place; and provide a 'safe harbor' for early adopters whose EHRs do not conform to the meaningful use requirement."

## 2. MAINTAINING HEALTH COVERAGE

Also on June 2, the House Energy and Commerce Subcommittee on Health held a hearing, *PPACA's Effects on Maintaining Health Coverage and Jobs: A Review of the Health Care Law's Regulatory Burden*. Witnesses included representatives from America's Health Insurance Plans, the National Association of Health Underwriters and the Center for Consumer Information and Insurance Oversight at CMS. The Subcommittee Chairman, Rep. Joe Pitts (R-PA), contended that the *Affordable Care Act* would not allow individuals to keep their current health insurance since so many businesses were contemplating making changes. The administration countered that the "grandfathering" provisions in the regulations allowed businesses to make only minor modifications.

### **3. HOUSE SPENDING BILL WOULD LIMIT FDA TOBACCO CONTROL AUTHORITY**

House appropriators approved an Agriculture-FDA spending bill on May 31, which provides \$2.1 billion for FDA operations, a reduction of \$285 million (or a drop of 11.6 percent) below fiscal 2011 funding levels. The bill included a controversial amendment (approved by a vote of 29-20), which would limit FDA rulemaking designed to restrict the use of a substance or a compound unless the rule is based on “hard science (and not on such factors as cost and consumer behavior).” Such a condition affects FDA regulations on tobacco marketing.

The spending bill also challenges the administration’s obesity and nutrition initiatives. For example, the Appropriations Committee urges “restraint” in setting new school lunch and breakfast nutrition standards, offers advice on defining “restaurants” for the purpose of disclosure requirements in the new health care law and expresses unhappiness with the Agriculture Department’s participation in a task force on marketing food products to children.

### **4. GOP DOCTORS’ CAUCUS OBJECTS TO MEDICARE COST CONTROL BOARD**

On June 1, the 21 members of the GOP Doctors Caucus (which includes 3 nurses, 2 dentists and a psychologist) sent a letter to President Obama objecting to the Independent Payment Advisory Board (IPAB) that is part of the *Affordable Care Act*. The legislators, calling the IPAB a “health care rationing board,” urged the President to abandon his support for this provision of health reform. The board has the power to recommend reductions in Medicare spending, if its costs exceed specific targets. Congress must accept or reject these recommendations without revision. In addition, if Congress rejects the recommendations, it must approve other cost cutting provisions that reach the same target. If Congress fails to act within a certain time, then the IPAB recommendations go into effect. The GOP Doctors Caucus insisted that this is a recipe for rationing health care for everyone based on cost alone.

### **5. FAMMEDPAC MAINTAINING HIGH VISIBILITY FOR AAFP**

FamMedPAC continues to support AAFP’s lobbying efforts. The PAC organized and sponsored an event in Washington this week, sent a representative to a local event for his Senator, and attended another event for a Representative interested in developing a stronger relationship with family medicine. The PAC participated in the following:

- A luncheon with **Rep. Rosa DeLauro (D-CT)**, who serves on the House Appropriations Committee. FamMedPAC sponsored and organized this event for the physician community.
- A local event for **Sen. Kirsten Gillibrand (D-NY)**, attended by NYAFP Executive Director Vito Grasso. Mr. Grasso delivered a FamMedPAC contribution check to the Senator’s campaign.
- A breakfast with **Rep. Kurt Schrader (D-OR)**, currently in his second term in Congress. The PAC supported Rep. Schrader in his first campaign and is continuing to develop this relationship.

### **6. FLORIDA PRIMARY CARE UNITES TO FIGHT FIREARMS BILL**

The **Florida Academy of Family Physicians** joined with the Florida Chapter of the American Academy of Pediatrics and the Florida Chapter of the American College of Physicians to pursue legal action to overturn [HB 155](#), a bill that aims to prevent physicians from discussing firearm safety with patients. The Brady Center to Prevent Gun Violence took the case *pro bono* and retained a law firm that sent Gov. Rick Scott (R) [a letter](#) on behalf of the three primary care organizations urging him to veto the legislation. However, Governor Scott signed the measure into law on Thursday, June 2. The AAFP, American College of Physicians and the American Osteopathic Association released a [joint statement](#) objecting to the bill.

Legislators introduced similar bills in four other states:

- A [bill](#) in Alabama died (indefinitely postponed), for the session, at least, on Wednesday, June 1, despite the support of 46 of the 66 members of the chamber's majority.
- Minnesota's legislature adjourned for the year without taking action on a House [bill](#) introduced late in the session; nearly one-third of the House GOP caucus signed on as co-sponsors prior to adjournment.
- A [bill](#) in the North Carolina Senate has not moved, but the legislature is not projected to adjourn until early August, leaving time for action.
- A [bill](#) in the West Virginia House died in committee before the legislature adjourned, but was co-sponsored by the chairs of the House health and judiciary committees.

## 7. SUCCESSFUL END TO LEGISLATIVE SESSION FOR COLORADO AFP

The **Colorado Academy of Family Physicians** successfully worked with other organizations, urging Governor John Hickenlooper (D) to veto legislation ([SB 213](#)) that would charge a premium for families between 150 and 205 percent of the Federal Poverty Level (FPL) with children covered under the state-funded Children's Basic Health Plan (CHP+). Had the Governor not vetoed the measure, enrollment fees for families between 205 and 250 percent FPL—who currently pay \$25 per year for one child and \$35 per year for two or more children—would have increased to \$25 per month for the first child and \$10 for each additional child capped at \$50 per month per family. In his [veto message](#), Governor Hickenlooper notes that the 1000 percent increase in cost likely would lead to many enrollees dropping coverage. .

Governor Hickenlooper recently signed several measures, including a prescription drug monitoring program (PDPM) bill ([SB 192](#)). The bill:

- Reauthorizes Colorado's PDMP for 10 years
- Sets the cap on the fee prescribers pay to help support the program to \$12/year or actual program costs, whichever is lower
- Requires prescribers to orally disclose to patients who receive prescriptions for controlled substances that their information will be entered into the database
- Allows law enforcement agencies to subpoena prescriber records from the PDMP if an investigation against a prescriber is already open
- Gives medical residents access to the database.

The Colorado AFP worked on the passage of this measure, alerting members through SpeakOut, tweeting its progress and informing legislators on the importance of the program for family physicians.

The Governor also signed legislation ([SB 200](#)) forming the Colorado Health Benefits Exchange as a nonprofit unincorporated public entity to serve as a voluntary, competitive insurance marketplace. According to the Governor's [press release](#), Colorado is one of seven states to create its own health exchange and the only one to do so with bipartisan legislative approval.

## 8. INDIANA AFP WRAPS UP BUSY LEGISLATIVE SESSION

The **Indiana Academy of Family Physicians** noted a number of achievements, as well as challenges, at the close of the 2011 legislative session. Despite mounting cuts and elimination of many programs, the state budget ([HB 1001](#)) included an annual \$1.9 million for the Family Medicine Residency program. However, the bill reduced tobacco prevention dollars. Successfully defeated measures include legislation ([HB 1018](#)) to ban open access clauses in insurance contracts, which would require physicians to take patients from a particular insurer or close their practice to all new patients. IN AFP member Topper Doehring, MD testified on how this limits physicians' ability to run a practice and the bill failed to move out of committee. A measure ([HB 1151](#))—to allow physical therapists to treat patients for 30 days before requiring a

referral from a physician—was also successfully defeated after IN AFP past president Teresa Lovins, MD testified in opposition. Another bill ([HB 1582](#)) that failed would have required physicians to give patients five provider options for any referral and the costs that patients could expect. After the IN AFP spoke to the bill's author, the measure was amended to create only a study committee on insurance issues. The amended language was incorporated into and enacted by [HB 1233](#).

#### **9. CALIFORNIA PCMH BILL EARNS UNANIMOUS SUPPORT AFTER FP TESTIMONY**

The **California Academy of Family Physicians'** bill to define the Patient Centered Medical Home (PCMH), [SB 393](#), passed out of the Senate Health Committee on a 9-0 vote. Karun Grossman, MD, who serves on the California chapter's Legislative Affairs Committee and FP-PAC Board, testified in support of the bill citing evidence from across the country that demonstrates the cost-saving and quality-improving aspects of the PCMH. The broad coalition of supporters and co-sponsors lining up behind the bill (including the statewide organizations for pediatricians, physician assistants, nurse practitioners, psychiatrists, osteopathic physicians, and primary care clinics) faced no opposition at the committee. The measure is now up for consideration on the Senate floor.

#### **10. SUPPORT OF FAMILY MEDICINE SOUGHT IN ILLINOIS INSURANCE EXCHANGE**

The Illinois legislature passed [SB 1555](#) to create a state health insurance exchange. While it was supported strongly by the insurance industry, healthcare advocates included language in the final amendment to the bill that still would provide the state an opportunity to draw down both Tier One and Tier Two federal funding. The **Illinois Academy of Family Physicians** submitted [a letter](#) to the House Insurance Committee on Wednesday, May 25th outlining the IAFP's priorities for creating an effective exchange that will benefit providers and patients.

#### **11. TEXAS FAMILY MEDICINE RESIDENCIES SEE WITHDRAWAL OF SUPPORT**

The Texas legislature's recently passed budget will strip almost 74 percent of state funding from the state's 29 family medicine residency programs. This comes on the heels of last year's closure of the Baylor College of Medicine/Kelsey-Seybold Clinic Family Medicine Residency Program. [The Family Practice Residency Advisory Committee](#) (which advises the Texas Higher Education Coordinating Board) met on Wednesday, June 1, to determine its recommendations for dividing the remaining state support.

The programs depend on the state funds for between 4 percent and 18 percent of their operating budgets, leading many to predict that the new funding levels could cause some of the training programs to close.

In 2010-2011, the legislature appropriated \$21.2 million to the Family Practice Residency Program budget line item. The recently passed budget cuts that to \$5.6 million. Two other line items supporting residency training were eliminated, a cut totaling an additional \$5.59 million.

The budget also eliminated funding for the Statewide Primary Care Preceptorship Program and the Faculty Development Center (FDC). The Preceptorship Program has placed medical students in month-long rotations with primary care physicians. The program has shown consistent success in increasing the likelihood that medical students will choose careers in primary care. The FDC provided training for family medicine faculty in residency programs.