

September 24, 2010

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NEXT WEEK IN WASHINGTON...

- The House and Senate may act as early as next Wednesday on a stop-gap bill to keep the government running after the October 1 start of the new federal fiscal year.

1. FAMILY MEDICINE CALLS ON OMB TO SUPPORT PRIMARY CARE IN FY12 BUDGET

On September 16, the AAFP and the academic family medicine groups wrote to Jeffrey Zients, the Acting Director of the Office of Management and Budget, to thank the Obama Administration for the FY 2011 budget amendment which proposed an additional \$250 million for Health Professions programs to address the expected demand for primary care providers. The [letter](#) went on to highlight Family Medicine's funding priorities for inclusion in the Administration's fiscal year 2012 budget.

2. HOUSE HEALTH SUBCOMMITTEE HELD HEARING ON MEDICARE/MEDICAID FRAUD

The House Energy and Commerce Health Subcommittee held a hearing entitled "Cutting Waste, Fraud, and Abuse in Medicare and Medicaid" on September 22. The recent health reform law contained over 30 provisions to help CMS, the OIG, and the Justice Department reduce Medicare and Medicaid fraud. The chief objective of those provisions is to shift from the traditional "pay and chase" approach to fraud reduction to a preventive approach, keeping fraudulent suppliers out of the program before they can commit fraud. CMS proposed a rule to implement many of these fraud prevention provisions on September 17, 2010.

3. HHS AWARDS \$42.5 MILLION TO PUBLIC HEALTH IMPROVEMENT PROGRAMS

U.S. Health and Human Services Secretary Kathleen Sebelius announced Monday that the [Centers for Disease Control and Prevention](#) (CDC) has awarded funding for 94 projects totaling \$42.5 million to state, tribal, local and territorial health departments to improve their ability to provide public health services. This funding, made possible through the new Prevention and

Public Health Fund created by the *Affordable Care Act*, will be distributed through cooperative agreements to 49 states, eight federally recognized tribes, Washington, D.C., nine large local health departments, five territories, and three Affiliated Pacific Island jurisdictions to maximize public health efforts. This new 5-year cooperative agreement program entitled, *Strengthening Public Health Infrastructure for Improved Health Outcomes*, will provide health departments with needed resources to make fundamental changes in their organizations and practices, so that they can improve the delivery of public health services.

4. AAFP COMMENTS TO NEW INSURANCE OFFICE

In a September 17 [letter](#) to the new HHS Office of Consumer Information and Insurance Oversight, AAFP submitted formal comments on a regulation that implements internal claims and appeals and external review processes as required under the *Affordable Care Act*. In the letter, AAFP provides suggestions on 6 new requirements that were not required under the previous Department of Labor (DOL) claim procedure regulations for group plans.

5. COVERAGE OF PREVENTIVE SERVICES COMMENT LETTER

AAFP sent a formal comment [letter](#) on September 17 to the Departments of Health & Human Services, Labor, and Treasury in response to a interim final rule issued by the three departments regarding required changes made in the *Affordable Care Act* in coverage of preventive services required by both insured and self-insured plans that begin on or after September 23, 2010. The rule utilizes the United States Preventive Services Task Force to establish the benefits affected (currently using a rating of A or B) as well as the comprehensive guidelines supported by the Health Resources and Services Administration (HRSA). In the letter, AAFP raised concerns that the new requirements may contain an unforeseen cost and access ramifications to physicians. In addition to the AAFP letter, the Academy participated in a coalition [letter](#) regarding the same regulation with 25 other organizations.

6. AAFP NOMINATIONS SENT TO U.S. PREVENTIVE SERVICES TASK FORCE

In mid September, the Academy was pleased to nominate three family physicians (Drs. Mark Ebell, Ted Ganiats, and William Hueston) for service on the U.S. Preventive Services Task Force. All three meet the 5 criteria outlined in a [regulation](#) published by the Agency for Healthcare Research and Quality.

7. GAO NAMES MEMBERS OF PCORI BOARD OF GOVERNORS

On September 23, the General Accountability Office (GAO) released the names of the Board of Governors for the Patient-Centered Outcomes Research Institute. Unfortunately, the candidates nominated did not make it onto the Board despite high qualifications. Since the AAFP is concerned at the number of academics, business and health plan representatives, we will send a letter to GAO expressing our view that the Board does not represent primary care or practicing physicians as part of our goal to place more family physicians on these panels.

8. HOUSE BACKS LIABILITY PROTECTION FOR VOLUNTEERS

On Thursday, September 23, the House passed, 417-1, a bill known as the *Family Health Care Accessibility Act* ([HR 1745](#)) to provide liability protection for volunteer practitioners at community health facilities. It now goes to the Senate.

9. ENERGY & COMMERCE COMMITTEE PASSES SEVERAL HEALTH BILLS

The House Energy and Commerce Committee approved a number of health bills on September 23 in separate voice votes. Among the measures reported for action by the full House are:

- HR 1347, a bill that, as amended, would direct the Department of Health and Human Services to establish concussion-management guidelines for school-aged children and

authorize state grants to collect information on the prevalence of concussions among children.

- HR 1362, a bill that would direct the CDC to expand activities tracking the epidemiology of neurological diseases and incorporate the information into a surveillance system.
- HR 2818, a bill that would reauthorize Substance Abuse and Mental Health Services Administration activities relating to treatment of pregnant women for methamphetamine addiction.
- HR 2941, a bill that would reauthorize CDC programs that provide education on gynecologic cancers for women and health care providers.

10. NORTH CAROLINA DELAYS 1.35 PERCENT MEDICAID PROVIDER CUT

Governor Bev Perdue (D) delayed a 1.35 percent Medicaid provider rate reduction that was scheduled to begin September 1. The **North Carolina Academy of Family Physicians** met with the Governor's office and legislators to express concerns not only of a rate reduction but also on the increased administrative burdens on family physicians from imaging and drug prior authorization programs used as cost saving measures in Medicaid. The North Carolina AFP sent a letter to Governor Perdue and legislators expressing appreciation for the intervention.

Despite the win for family physicians, the state still has a \$3.5 billion deficit for fiscal year 2011-12 and the administration ordered state agencies to compile contingency plans for next year from a 5 percent to a 15 percent reduction in departmental budgets. The North Carolina chapter continues to work with legislative leaders to make prevent the Medicaid provider cut.

11. CALIFORNIA LAWSUIT ALLEGES INACCURATE PHYSICIAN REPORTING

The California Medical Association (CMA) filed a class action against Blue Shield of California on allegations of inaccurate physician reporting on physician quality and failing to accurately assess patient care. The Blue Shield Blue Ribbon Program, launched in June 2010, notes physicians who are above average based on eight measures in preventive screening, diabetes and other categories. The lawsuit alleges that the program fails to provide adequate explanations for the basis of the ratings or disclose that not all physicians are evaluated in the program. The program also does not give physicians a fair opportunity to correct errors in their reports. CMA and the physician plaintiffs argue that Blue Shield launched the program even though the company was aware such flaws.

The Blue Shield Blue Ribbon Program was developed by Blue Shield and the Pacific Business Group on Health, a coalition of 50 purchasers that is also involved with the California Healthcare Reporting Initiative, a collaborative of purchasers, consumers, health plans and physicians. The organizations worked to measure the performance of 13,000 high-volume physicians and results are drawn from data collected and analyzed by the California Physician Performance Initiative (CPPI). The **California Academy of Family Physicians** has been monitoring the issue of physician reporting and is represented on a physician advisory group to the CPPI. CAFP raised concerns about CPPI's data collection and analysis process and Blue Shield of California's Blue Ribbon Program in the past.

12. FamMedPAC CONTINUES ADVOCACY EFFORTS

The 111th Congress is winding down as legislators focus on the mid-term elections. FamMedPAC participated in several events in Washington this week.

- **Rep. John Fleming (R-LA)**, who is a family physician, said that Minority Leader Boehner and Minority Whip Cantor have promised him they will permanently fix the SGR so it will no longer be hanging over the heads of physicians. The Congressman said he

- **Rep. Lois Capps (D-CA)** serves on the Health Subcommittee of the House Energy and Commerce Committee, a former school nurse and a long-time supporter of primary care issues. She spoke of the need for a long-term solution to the Medicare SGR, but agreed that House Republicans would want something shorter.
- **Rep Dave Camp (R-MI)** is ranking member of the House Ways and Means Committee. AAFP was one of only three health care groups in attendance. He indicated that Republicans are beginning to develop their health agenda for the 112th Congress. He said the effort to scale back the *Affordable Care Act* will be very targeted. He is interested in learning the details of our workforce proposal for a Primary Care GME Pilot.
- **Rep. Tim Ryan (D-OH)** serves on the Labor/HHS Subcommittee of the House Appropriations Committee. Rep. Ryan is a strong supporter of Title VII funding. He said he will continue his support and hopes to find additional incentives to encourage medical students to enter primary care.
- **Rep. John Boehner (R-OH)** is the Minority leader of the House. Rep. Boehner spoke of the possibility of the Republicans taking the majority in the House and how this would slow down the Democrats agenda. He wants the next Congress to focus on the economy and jobs, but that they would focus on the health reform law as well.