

June 22, 2012

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## NEXT WEEK IN WASHINGTON...

- \* The Supreme Court is expected to rule on the *Affordable Care Act* litigation.
- \* AAFP with CMS, AMA, AOA, and ACP will host calls on the Comprehensive Primary Care Initiative.

### 1. WHITE HOUSE HOSTS DISCUSSION ON HEALTH IT IMPLEMENTATION

On Tuesday, June 19, the White House hosted a discussion with physicians including AAFP President Glen Stream and several other AAFP members. The subject of the meeting was to determine how health information technology (HIT) could improve care quality and patient health. Family Physician Jim Johns of Ohio sat on a four-person panel as part of the discussion, which was led by the National Coordinator for HIT, Dr. Farzad Mostashari, and included other White House and HHS officials. The 81 physicians who participated were early electronic health record adopters.

Representing small and solo practices, Dr. Johns said these small practices do not have the hospital backing and the medical center resources to implement and sustain an electronic health record system. "This federal program and the Ohio Health Information Partnership made it possible for us to do this," he said. According to Dr. Johns, health information exchange and interoperability were hot topics at the meeting.

At the meeting, U.S. Secretary of Health and Human Services Kathleen Sebelius announced that more than 100,000 physicians and providers over 2,400 eligible hospitals have received Electronic Health Record (EHR) incentive funding. According to Secretary Sebelius, EHR use has doubled and will soon triple since the program started in 2009 under federal stimulus legislation. Over \$5.7 billion in EHR Incentive Program payments were made. As part of this announcement, the Secretary stated that, "through the end of May 2012, over 133,000 primary care providers and 10,000 specialists were partnering with regional extension centers (RECs) to overcome common EHR adoption barriers. Of these providers, 70 percent of small practice providers in rural areas as well as 74 percent of critical access hospitals are working with RECs."

## **2. AAFP LEADER SEES RETAIL HEALTH CLINICS AS CHALLENGE AND OPPORTUNITY**

On Monday, June 18, former AAFP President Rick Kellerman spoke at a briefing in Washington called "The Right Care at the Right Time: Are Retail Clinics Meeting a Need?" The briefing, sponsored by the Alliance for Health Care Reform and WellPoint Inc., was a discussion of the role of retail clinics in bringing patients into the health care system.

Dr. Kellerman, the chair of the Department of Family and Community Medicine at the University of Kansas School of Medicine in Wichita, said that the development of retail clinics is a symptom of a bigger problem — the “neglect of the primary care system in the United States.”

However, other speakers on the panel were more positive about the role of these pharmacy-based clinics. “Retail clinics will play a role as health care reform is implemented,” said WellPoint regional vice president Manish Oza. If the U.S. Supreme Court upholds the 2010 health care law (PL 111-148, PL 111-152), tens of millions of U.S. residents will gain insurance and presumably seek greater amounts of medical care. Oza and other officials suggested that since there may not be enough primary care physicians available to handle the demand, retail clinics could play a part in treating minor contagious ailments such as strep throat or pink eye.

RAND Corp. policy analyst Ateev Mehrotra said that the quality of care in retail clinics is the same or better than that in other settings, such as a physicians’ offices or urgent care centers. Mehrotra’s research also found that retail clinics prescribed antibiotics at about the same rate as professionals in other settings.

One concern about retail clinics has been that if patients visit a clinic instead of a primary care physician that they regularly see, then the patient-physician relationship could be disrupted and doctors may not know what types of medication or care their patients are receiving. However, Mehrotra found that this fear was overblown for a simple reason: most retail clinic customers don’t have a regular physician who oversees their care. Fewer than 40 percent of clinic customers reported that they routinely see a physician.

## **3. TransforMED RECEIVES FEDERAL SUPPORT TO PROMOTE MEDICAL HOME**

On June 15, HHS announced a nearly \$21 million award to the AAFP subsidiary company, TransforMED, for a project titled: "Multi-community partnership between TransforMED, hospitals in the VHA system and a technology/data analytics company to support transformation to PCMH of practices connected with the hospitals and development of ‘Medical Neighborhood.’” The award is for a primary care redesign project to support care coordination among Patient-Centered Medical Homes (PCMH), specialty practices, and hospitals, creating “medical neighborhoods.” The project will use a sophisticated analytics engine to identify high risk patients and coordinate care across the medical neighborhood while driving PCMH transformation in a number of primary care practices in each community. Truly comprehensive care will improve care transitions and reduce unnecessary testing, leading to lower costs with better outcomes. Over a three-year period, TransforMED’s program will train an estimated 3,024 workers and create an estimated 22 jobs.

## **4. STUDENTS AND RESIDENTS ADVOCATE FOR FEDERAL FUNDING**

As the House Appropriations Subcommittee on Labor, Health, and Human Services, Education, and Related Agencies begins to decide how to allocate funding to key programs, AAFP students and residents utilized Speak Out to advocate for Health Professions Grants (Title VII, section 747), which is the only federal program for family medicine education and training. So far, 247 letters have gone to Representatives.

## 5. FDA USER FEE AUTHORITY EXPANDED, EXTENDED IN BIPARTISAN AGREEMENT

On Monday, June 18, the House and Senate came to a bipartisan agreement on the *Food and Drug Administration Safety and Innovation Act* (S 3187) to reauthorize for five years the Food and Drug Administration (FDA) user fees and to enact new fees to facilitate the review and approval of life-saving and life-improving drugs and medical devices. As part of the agreement, the FDA will commit to implementing specific performance goals and reforms to ensure patients receive quality care and access to new therapies. It passed the House by voice vote on June 20. The Senate is scheduled to take up the measure on Monday, June 25. If the Senate approves, the President is expected to sign it.

The final bill does not include an amendment offered by Senator Joe Manchin (D-WV) to amend the *Controlled Substances Act* to make any substance containing hydrocodone a schedule II drug. Instead of the Manchin amendment which could have created an administrative burden for physicians and a barrier to access for chronic pain patients, the measure requires the FDA to hold a public meeting to receive comments on a scheduling recommendation to the Drug Enforcement Administration regarding drug products containing hydrocodone, combined with other analgesics or as an antitussive.

## 6. FamMedPAC ATTENDS THREE EVENTS THIS WEEK

FamMedPAC participated in three Congressional meetings this week, one for a member of a key House subcommittee, and two for the House and Senate Republican campaign committees. Government Relations staff met with the following:

- **Rep. John Shimkus (R-IL)**, a member of the Health Subcommittee of the House Energy and Commerce Committee, who has toured the clinic of Illinois AFP member Dr. Steven Knight.
- **National Republican Senatorial Committee**, the Senate campaign committee of the Republican Party, at a roundtable that featured Kansas Senator Jerry Moran. Sen. Moran is a good friend with Kansas AFP member Dr. Rick Kellerman.
- **National Republican Congressional Committee**, the House campaign committee for the Republican Party, at a roundtable discussion led by the Chair of the House Ways and Means Committee, Rep. Dave Camp of Michigan.

## 7. REGULATORY BRIEFS

- In June, CMS and Medscape posted two new CME modules entitled, "[Reducing Medicare and Medicaid Fraud and Abuse: Protecting Practices and Patients](#)" and "[How CMS Is Fighting Fraud: Major Program Integrity Initiatives](#)." These modules highlight efforts by CMS to fight fraud and abuse and how health care professionals can be part of those efforts.
- On June 18, the Patient-Centered Outcomes Research Institute (PCORI) [named](#) the recipients of \$30 million in research grants for pilot projects to advance methods to engage patients in the health research and dissemination process. The 50 awards, approved by the PCORI Board of Governors in April, include projects to develop tools and techniques to improve patient-centered care and decision-making; create new patient-centered care measures; and improve delivery of patient-centered counseling and care in various health care settings.
- On June 18, HHS [announced](#) the establishment of three new centers aimed at fostering the faster development of more effective countermeasures against bioweapons, resistant disease strains and other emerging threats. The Centers for Innovation in Advanced Development and Manufacturing were designed to be public-private partnerships aimed at giving the United States, for the first time, the capability to produce medical countermeasures in response to a multitude of potential epidemics, from bioterrorism to "suberbugs."

- On June 19, HHS released a new [report](#) showing that 3.1 million young adults have gained health insurance because of the *Affordable Care Act* through the provision that requires insurers to allow young adults to remain on their parents' family plans until their 26th birthday, even if they move away from home or graduate from school.
- On June 20, HHS and HRSA officials [announced](#) awards of new grants to expand community health centers. The grants awarded to 219 health centers will help expand access to care for more than 1.25 million additional patients and create approximately 5,640 jobs by establishing new health center service delivery sites. Health Center New Access Point grants, listed by organization and state, are available [online](#).

#### **8. MEDICAID COMMISSION RELEASES REPORT ON AVAILABILITY OF PRIMARY CARE**

On June 15<sup>th</sup>, the [Medicaid and CHIP Payment and Access Commission](#) (MACPAC) released its June 2012 [Report to the Congress on Medicaid and CHIP](#). This report focused on the role of Medicaid and the Children's Health Insurance Program (CHIP) as purchasers of health care services and highlights the importance of access measures as a tool for monitoring and improving program performance for patients. The report presents the Commission's Access Framework, which examines the availability of primary care for Medicaid/CHIP participants in certain geographical areas, in addition to primary care/specialty care-provider willingness to participate. The report describes various data sources, information and principles aimed at monitoring access to high quality, appropriate services for Medicaid and CHIP enrollees. Identifying these methods helped the Commission develop a monitoring approach focused on both immediate and ongoing access at the federal, state and local levels. The report contains a helpful chart on current thresholds used in designating Health Professionals Shortage Areas (HPSA) and lists the HPSA designations. In addition, the report discusses Medicaid Managed Care and has good information about primary care case management programs, including tables that break down managed care data by state.