

April 19, 2013

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NEXT WEEK IN WASHINGTON...

* On April 23, the Senate HELP Committee's Primary Health and Aging Subcommittee will hold a hearing on "Successful Primary Care Programs: Creating the Workforce We Need."

* On April 24, the House Energy and Commerce Oversight & Investigations Subcommittee will have a hearing to look at implementation of *Affordable Care Act*.

* On April 25, HHS Secretary Sebelius will testify before the House Labor, Health and Human Services, and Education Appropriations Subcommittee on the FY 2014 budget request.

* On April 25, the House Energy and Commerce Subcommittee on Health will hold a hearing on "Securing Our Nation's Prescription Drug Supply Chain."

1. SENATE PASSES MENTAL HEALTH BILL WITHOUT GUN BACKGROUND CHECKS

The Senate on Thursday, April 18, amended the *Safe Communities, Safe Schools Act* (S 649) to add mental health provisions to the gun control measure the day after the Senate rejected a compromise to expand firearms background checks offered by Senators Joe Manchin (D-WV) and Pat Toomey (R-PA). The bipartisan mental health amendment offered by Senators Tom Harkin (D-IA) and Lamar Alexander (R-TN) passed on a vote of 95 to 2. Only Senators Rand Paul (R-KY) and Mike Lee (R-UT) opposed the amendment to reauthorize several existing programs to prevent suicide and improve mental health and offer early intervention in schools. After the adoption of that amendment, Senate Majority Leader Harry Reid (D-NV) announced that the Senate would put aside the gun control bill to begin on other legislation. It is not clear when they will again take up this gun control and mental health measure.

2. HOUSE COMMITTEE PASSES BILL TO REDIRECT ACA FUND TO PCIP

Legislation to strip \$4 billion from the Prevention and Public Health Fund established in the *Affordable Care Act* to fund the Pre-Existing Condition Insurance Plan (PCIP) which provides health care coverage to individuals with pre-existing health conditions was considered and passed by the House Energy and Commerce Committee by a vote of 27 to 20. The Obama administration has suspended funding for the PCIP due to financial constraints.

The *Helping Sick Americans Now Act* (HR 1549) was introduced Health Subcommittee Chairman Joe Pitts (R-PA), Vice Chairman Michael Burgess, MD (R-TX), and Rep. Ann Wagner (R-MO). It was opposed by Democrats on the committee who characterized the use of the Prevention Fund as a serious mistake. The bill has also drawn criticism from the conservative Heritage Foundation and Club for Growth which are calling for the repeal of “ObamaCare.”

3. HHS SECRETARY TESTIFIES ON FY 2014 BUDGET

The Secretary of Health and Human Services, Kathleen Sebelius, appeared before the Subcommittee on Health of the House Energy and Commerce Committee on April 18 to review the President’s proposed FY 2014 budget for the Department related to policy priorities and implementing the new health care law. The President’s FY 2014 budget proposal submitted to Congress on April 10 calls for a number of increases in discretionary spending compared to the FY 2013 budget. Rep. Joe Barton (R-TX) shared a question from a small business owner concerned about the paper work burden and compliance issues around the *Affordable Care Act*, but the Secretary assured him that businesses with fewer than 50 employees need not worry.

There were several questions regarding the Prevention and Public Health Fund. One legislator insisted that the plan to use money from the fund for “advertising” to encourage enrollment this summer is a misuse of the money. The Secretary assured the Subcommittee that the fund is being used as intended, for programs like smoking cessation, chronic disease management, etc. and to fund an outreach program this summer much like the program run to educate seniors about the addition of the Part D prescription benefit several years ago. Other questions to the Secretary covered issues such as fraud and abuse and the dollars taken out of the system by perpetrators. The Secretary said that it is better to shut down the activities before they impact the program rather than to “pay and chase”. For every \$1.00 appropriated to combat fraud and abuse, the government gets \$8.00 back. Finally, the Secretary announced that the Department is committed to finalizing the mental health parity rule this year.

4. HHS RELEASES BASIC FEDERAL HEALTH PLAN TIMELINE

On Thursday, Senator Maria Cantwell released details from the HHS delineating the timeline for the Federal Basic Health Plan. The plan will begin enrollment in October 2014 and begin operations in January 2015. Proposed regulations are expected in September 2013, and final rules plan to be released in March 2014. AAFP will continue to monitor this development. According to the [Senator’s webpage](#), the new timeline lays the following benchmarks:

- April-May 2013: State and stakeholder engagement
- May 2013: Establish collaborative of interested states
- September 2013: Release of proposed regulations
- November 2013: Completion of 60 day comment period
- March 2014: Final rule publication
- March-May 2014: States submit Basic Health plans
- August 2014: Centers for Medicare and Medicaid Services (CMS) completes review of state Basic Health plans
- October-December 2014: Open enrollment
- January 1, 2015: Federal Basic Health Plan operational

5. STAKEHOLDER CALLS FOR FEDERAL AND STATE PARTNERSHIP MARKETPLACES

Beginning April 29, 2013, CMS will host state-by-state stakeholder calls for Federally-Facilitated and State Partnership Marketplace states. Registration is open and available online through the CMS Health Insurance Marketplace Open Door Forum. Individuals and organizations that will interact with and utilize the Marketplaces are encouraged to join these calls.

6. AAFP SIGNS LETTER SUPPORTING TRUTH IN HEALTHCARE MARKETING BILL

The AAFP and several other medical specialty societies signed on to a letter in support of the *Truth in Healthcare Marketing Act* (HR 1427). The bill, which Rep. Larry Bucshon (R-IN), a physician, and Rep. David Scott (D-GA), introduced, will ensure that patients receive accurate health care information by prohibiting misleading and deceptive advertising or representation in the provision of health care services. The bill attempts to reduce confusion among patients by requiring practitioners to disclose the license under which they are practicing in any advertising. The bill authorizes the Federal Trade Commission to enforce the advertising requirements and to report to Congress on the extent and frequency of violations and the impact on patient care. A copy of the jointly-signed letter will be available on the AAFP web site next week.

7. FamMedPAC PARTICIPATES IN DC EVENTS, EXHIBITING AT ALF/NCSC NEXT WEEK

FamMedPAC participated in events in Washington, DC, this week for key legislators. The discussions centered on alternatives to the Medicare SGR payment formula, implementation of the *Affordable Care Act*, and funding for primary care research, education and training. Next week, FamMedPAC will have a table at ALF/NCSC in Kansas City, where the PAC will present awards to the South Dakota chapter, the Massachusetts chapter, and the Tennessee chapter, the small, medium and large chapters that had the highest level of contributions to the PAC in the 2011-2012 election cycle. The Rhode Island chapter will receive the FamMedPAC Chairman's Award for having the highest percentage of its members making a contribution to the PAC. FamMedPAC participated in the following events this week:

- **Rep. Xavier Becerra (D-CA)**, who serves on the House Ways and Means Health Subcommittee. Rep. Becerra is a good friend of AAFP and serves as the Chair of the House Democratic Caucus.
- **Rep. Rosa DeLauro (D-CT)**, who serves on the House Appropriations Committee and is the Ranking Democrat on the Labor/HHS Subcommittee that has jurisdiction over HHS spending. She has long been supportive of family medicine issues, particularly Title VII funding programs for primary care medical education.
- **Rep. John Boehner (R-OH)**, the Speaker of the House. The Speaker had a dinner with physician specialty groups with a wide ranging discussion on health and budget issues.
- **Sen. Jack Reed (D-RI)**, who serves on the Labor/HHS Subcommittee of the Senate Appropriations Committee. The Senator is a good friend of AAFP and is a strong supporter of Title VII programs. He is the lead author of a "Dear Colleague" letter to his fellow Senators urging increased funding for primary care training programs.

8. ARKANSAS'S MEDICAID EXPANSION SURVIVES STATE HOUSE, ON TO SENATE

On Tuesday, the Arkansas House [reversed its first vote](#) on Democratic Governor Mike Beebe's plan to expand health coverage by using Medicaid dollars to pay for private health insurance. The measure passed 77-23, securing a required three-fourths vote a day after the legislation had failed 68-29. The plan, which also [passed the Senate](#) on Wednesday is being watched closely by other states pursuing similar options – including Florida, Louisiana, Ohio, Pennsylvania, Tennessee, and Texas. These managed-care or premium assistance-type options for Medicaid expansion came about after HHS released a [FAQ memo](#) at the end of March. In related news, on Friday CMS released an [Informational Bulletin](#) on a new technical assistance center for states on Medicaid Managed Care.

9. FLORIDA SENATE PANEL PASSES LOW-INCOME INSURANCE PROPOSALS

On Wednesday, a state Senate panel passed two proposals that would expand health insurance for 1.1 million low-income Florida residents under the ACA. The Senate plan, supported by Governor Rick Scott, would give the federal dollars to recipients. Lawmakers in the state still have to vote on whether to accept \$50 billion dollars from the federal government

over the next 10 years to offer expanded health coverage to the uninsured. The House plan would give recipients \$2,000 a year to choose their own private insurance plans through the Florida Health Choices program. This plan would only offer funds to residents making at or below 100 percent of poverty and would use \$237 million in state funds. Currently, the state only funds 115,000 residents via state budgeted dollars.

10. MONTANA LEGISLATORS PROPOSE NEW COMPROMISE BILL FOR MEDICAID

On Tuesday, Montana legislators on the Senate Public Health Committee passed a bill that would use federal dollars to buy private health insurance for thousands of uninsured, low-income residents. The bipartisan coalition of state Senators endorsed the Medicaid measure 27-23. The bill, HB 623, would enable the state to provide subsidies for people below the federal poverty line to purchase private insurance on the federal insurance exchange. The bill would draw from the sale of Blue Cross Blue Shield of Montana and Insure Montana programs to pay for insurance for people who do not currently qualify for Medicaid.