

January 18, 2013

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NEXT WEEK IN WASHINGTON...

- * On Sunday, January 20, President Obama and Vice President Biden will take the oath office for a second term; the ceremonial swearing-in will occur on Monday, January 21.
- * On Tuesday, January 22, the House Ways and Means Committee will hold a hearing on the issues involved in the national debt limit.
- * On Thursday, January 24, the Senate Health, Education, Labor and Pensions Committee will hold a hearing on the state of the nation's mental health system.

1. AAFP CALLS FOR THOUGHTFUL ACTION TO PREVENT GUN VIOLENCE

On Thursday, January 17, AAFP President Dr. Jeff Cain wrote a letter to President Obama that outlined AAFP policy on the prevention of gun violence, including support for the use of trigger locks and safe storage requirements. AAFP policy also opposes the individual ownership of assault weapons and high-capacity magazines. Dr. Cain expressed appreciation for a commitment to improving mental health services and he reminded the President that new health care delivery models, like the patient centered medical home, would enhance the role of primary care physicians in improving patients' access to mental health services. He noted the broad support for the Executive Order that clarifies no federal law should be construed to restrict the patient-physician relationship or limit what a physician can discuss with a patient. In addition, Dr. Cain's letter expresses support for further research on gun violence.

2. AAFP CALLS ON HHS TO DELAY STAGE 3 MEANINGFUL USE REQUIREMENTS

In a [letter](#) sent January 10, the AAFP responded to a request for comments regarding the stage 3 definition of meaningful use of electronic health records (EHRs). After the AAFP expressed interest in the development use of EHRs, the AAFP called on HHS to delay stage 3 requirements until at least 2017 and delay or eliminate the penalty provisions. The AAFP urged the Department of Health and Human Services (HHS) to first focus on improving the ability for physicians to achieve meaningful use stage 1 and 2 requirements rather than prematurely impose stage 3 requirements. The AAFP called for this delay due to concerns that HHS is attempting to raise the bar for what constitutes meaningful use before the majority of physicians

and hospitals are able to achieve the meaningful use stage 1 or 2 objectives. The AAFP called on HHS to use this time to evaluate the extent of intended and unintended outcomes of existing meaningful use requirements, using these lessons to then appropriately shape stage 3 requirements.

3. CMS ANNOUNCES NEW ACCOUNTABLE CARE ORGANIZATIONS

On Thursday, January 10, the Centers for Medicare & Medicaid Services (CMS) [announced](#) that doctors and health care providers have formed [106 new Accountable Care Organizations](#) (ACOs) in Medicare. These ACOs provide as many as 4 million Medicare beneficiaries with access to high-quality, coordinated care across the country. More than 250 ACOs have been established since the passage of the *Affordable Care Act*.

4. HHS PROPOSED RULE REGARDING MEDICAID AND HEALTH INSURANCE MARKETS

On Monday, January 14, HHS released a 474-page proposed rule that addresses a variety of Medicaid provisions for beneficiaries, including appeals of eligibility determinations, coordination between Medicaid and health insurance exchanges, the role of counselors who assist beneficiaries with enrollment applications, procedures that verify employer-sponsored coverage, and usage of updated Medicaid eligibility categories.

5. FamMedPAC HEARS FROM CONGRESSIONAL LEADERS ON HEALTH POLICY

The Democratic Congressional Campaign Committee held an informal dinner for the physician community with **Rep. Frank Pallone (D-NJ)**, who is the senior Democratic member of the House Energy and Commerce Committee's Health Subcommittee. Rep. Pallone, a good friend of family medicine, urged the attendees to demand action on the Medicare Physician Fee Schedule and to argue against further cuts to providers to pay for an SGR fix. He said he will call for hearings on the SGR, but that physician organizations must put pressure on Congress to pass a final plan to replace the flawed payment formula.

FamMedPAC also participated in a fundraiser on Tuesday, January 15, for family physician and AAFP member, **U.S. Delegate Donna Christensen (D-VI)**. She was recently appointed to serve on the Health Subcommittee of the House Energy and Commerce Committee.

6. HHS RELEASES HEALTH INSURANCE MARKETPLACE TOOLKIT

On Wednesday, January 16, HHS released a [toolkit](#) that includes information, tools, and resources to help consumers find health insurance to fit their budgets. In the newly rebuilt [HealthCare.gov website](#), Americans will be able to get the information they need for open enrollment in October. It includes information about insurance marketplaces for consumers, including a checklist with [7 things consumers can do now](#) to get ready for enrollment, along with other helpful resources for understanding the health insurance marketplace and Health Insurance Exchanges.

7. HHS ANNOUNCES NEW EXCHANGE ESTABLISHMENT GRANT AWARDEES

On Thursday, January 17, the HHS [announced](#) that 11 states will receive Exchange Establishment Grants. These grants will aid states as they move forward and build health insurance marketplaces that offer affordable, accessible, and high quality insurance plans to consumers. Delaware, Iowa, Michigan, Minnesota, North Carolina, and Vermont were awarded one-year [Level-One Exchange Establishment grants](#) to develop Partnership or State-based health insurance marketplaces. California, Kentucky, Massachusetts, New York, and Oregon were awarded Level-Two Exchange Establishment grants, which offer multi-year awards to states as they continue their progress toward exchange implementation. 49 states, the District of Columbia, and four territories have applied for exchange marketplace grants. States may apply for grants until the end of 2014.

8. AAFP URGES HUD TO CONSIDER SMOKING ISSUES IN MULTI-UNIT HOUSING

The AAFP joined with 18 other national health organizations in a January 7 [letter](#) to the U.S. Department of Housing and Urban Development (HUD) regarding the implementation of smokefree policies in multi-unit housing. After first commending HUD for recent actions to protect the health of residents of federally assisted housing by encouraging broader adoption of smokefree policies in multi-family housing, the letter cautioned that further steps are needed before all children, pregnant women, adults, and seniors who live in multi-family housing will be protected from the dangers of tobacco.

9. REGULATORY BRIEFS

- On January 8, the Office of the Actuary at the CMS published an [article](#) that reported their [findings](#) from the 2011 national health expenditure data. Per the CMS press release, notable findings include:
 - U.S. health care spending continued to grow at a low rate on 3.9% in 2011, for the third straight year.
 - Total U.S. health spending reached \$2.7 trillion in 2011, or \$8,680 per person.
 - Health spending growth and overall economic growth, as measured by Gross Domestic Product (GDP) (4.0 percent), tracked at a similar rate. As a result, the health spending share of GDP was unchanged at 17.9 percent for the third consecutive year (2009 – 2011).
 - The federal government financed 28 percent of the nation’s health care spending in 2011, reaching \$744.6 billion.
 - Medicare spending grew 6.2 percent in 2011, up from 4.3 percent in 2010.
 - Total Medicaid spending grew 2.5 percent in 2011, down from 5.9 percent growth in 2010.
 - Hospital spending, which accounted for roughly 31 percent of total health care spending, grew 4.3 percent to \$850.6 billion in 2011, compared to growth of 4.9 percent in 2010.
- On January 10, CMS announced [15](#) Advance Payment Model ACOs, which provide physician-based or rural providers with greater up-front access to capital to invest in staff, electronic health record systems, or other infrastructure required to improve care coordination. Starting in the summer of 2013, CMS will accept applications for organizations wishing to participate in the [Shared Savings Program](#) beginning in January 2014.
- On January 14, HHS released a [proposed rule](#) that discusses eligibility criteria and options for coordinating enrollment into the Medicaid, the Children’s Health Insurance Program (CHIP), and Exchange.
- On January 15, CMS announced 35 additional participants in the Community-based Care Transitions Program ([CCTP](#)). These 35 sites join the 47 organizations already participating in the CCTP, bringing the total number of sites to 82. These participants will work with local hospitals and other health care and social service providers to support Medicare patients who are at increased risk of being readmitted to the hospital while transitioning from hospital stays to their homes, a nursing home, or other care settings.
- Also on January 15, CMS released a [letter](#) to state Medicaid directors that spells out quality measures to be used for health homes.
- On January 16, in connection with the President’s announcement regarding the national response to the Sandy Hook tragedy, CMS released a State Health Official [letter](#) on the application of the *Mental Health Parity and Addiction Equity Act* to Medicaid managed care organizations, the Children’s Health Insurance Program, and alternative benefit (benchmark) plans.