

October 11, 2013

## IN THIS REPORT...

1. AAFP Calls for SGR Repeal in Federal Budget Negotiations
2. DC Cannot Pay Physicians for Medicaid Claims during Government Shutdown
3. AAFP Sends Ideas for Economic Growth and Reduced Regulatory Burden to HHS

### NEXT WEEK IN WASHINGTON...

\* No committee hearings are scheduled during the shutdown of the federal government. Negotiations on fiscal issues will continue over the weekend and into the week.

## 1. AAFP WEIGHS IN ON GOVERNMENT SHUTDOWN, DEBT CEILING NEGOTIATIONS

The AAFP has [written](#) to every Congressional legislator, asking them to address the serious economic implications of the shutdown of the federal government and the reaching of the federal debt limit. Dr. Jeff Cain, the AAFP Board Chair, pointed out that if the U.S. Treasury reaches the limit of its borrowing authority, the federal government will not be able to pay all of its current obligations, including Medicare and Medicaid payments.

President Barack Obama met with House Republican leaders on Thursday, October 10 to discuss the ongoing partial government shutdown and the impending default on federal debt obligations. Senate Majority Leader Harry Reid (D-NV) remains opposed to negotiations until after the government is reopened and the debt ceiling is raised and is pushing for a vote – perhaps as early as Saturday, October 12 – on a procedural motion to bring up for debate the *Default Prevention Act* (S 1569) that would suspend the debt limit until Dec. 31, 2014.

Senator Susan Collins (R-ME) is developing a measure to reopen the federal government and raise the debt ceiling. This measure might include provisions to offer some flexibility with the pending budget cuts over the next two years and might repeal or delay the 2.3 percent medical device tax authorized by the *Affordable Care Act* (ACA). In addition, her draft bill is said to require income verification for those receiving benefits under the ACA.

## 2. DC CANNOT PAY MEDICAID CLAIMS DURING GOVERNMENT SHUTDOWN

The DC Department of Health Care Finance (DHCF) [announced](#) last week that because of Congress's failure to pass a budget for fiscal year 2014, the DC Medicaid program will be unable to pay physicians and providers in fee-for-service and managed care plans who deliver health care services to Medicaid patients. The DC Medicaid program, which covers about 220,000 low-income and disabled residents, said that it will stop payments if the federal government shutdown continues. The press release encourages physicians and providers to continue to submit claims as usual, and the DHCF will process and pay delayed managed care capitated payments and allowable fee-for-service claims as soon as Congress approves the fiscal year 2014 budget for DC.

### 3. AAFP SUBMITS IDEAS TO HHS FOR REGULATORY SIMPLIFICATION

In a [letter](#) sent October 10 to the Department of Health and Human Services (HHS), the AAFP responded to a request for information for suggestions regarding regulatory rules HHS should consider reviewing to:

- Promote economic growth, innovation, competitiveness, and job creation;
- Reduce regulatory and administration burdens;
- Achieve better results by modifying, streamlining, expanding, or eliminating rules when the costs or benefits are greater than originally anticipated;
- Eliminate rules that are outdated, overtaken by new technology or information, or unnecessary for other reasons; or
- Update rules to complement other federal agency rules or international standards where crosscutting collaboration can reduce administration or regulatory burdens.

In response to the first request, the AAFP discussed that more appropriate payments for family physicians are critical in achieving better care for individuals, better health for individuals, and reduced expenditure growth. The AAFP letter urged HHS to consider the innovative primary care physician payment recommendations outlined in separate letters sent August 29, 2013 and March 27, 2013. The AAFP further argued that adopting these recommendations should begin to address the looming shortage of primary care physicians and will improve the delivery of health care in America.

In response to HHS's request to streamline or reduce regulatory and administrative burdens, the AAFP urged HHS to carefully consider recommendations pertaining to:

- ICD-10, which the AAFP argues will be costly and disruptive.
- The costs of translator services and the AAFP urged HHS to permit interpreters to bill health plans for their services.
- Ways to minimize time wasted on prior authorization paperwork.
- Time consuming and overlapping documentation and certification rules. The AAFP argued that HHS should develop comprehensive yet understandable policies.
- Inconsistent claims review processes by multiple HHS contractors which the AAFP finds to be redundant and placing an enormous administrative burden on practicing physicians.
- Further need for administrative simplification including a recommendation that HHS immediately implement the related provisions within the Affordable Care Act.
- The need to promptly and drastically improve the Medicare enrollment process.
- Our desire for HHS to reevaluate the Medicare signature requirements so that busy practicing physicians can work more closely with their team members.
- The AAFP belief that HHS should simplify Medicare rules surrounding prescription of diabetic supplies without compromising the integrity of the Medicare program.