

December 16, 2014

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NEXT WEEK IN WASHINGTON...

- * The 113th Congress will adjourn later this week
- * The 114th Congress will begin on January 5, 2015

1. 113th CONGRESS COMPLETES ACTION ON FY 2015 HHS SPENDING

On September 11 in a bipartisan vote of 219 to 206, the House passed the *Consolidated and Further Continuing Appropriations Act* (HR 83) to provide discretionary funding for most of the federal government through September 30, 2015. The measure cleared the Senate by a 56 to 40 vote late Saturday, December 13. President Obama is expected to sign the bill, which provides funding for these family medicine priorities:

Health Resources and Services Administration (HRSA)

The bill provides HRSA with \$6.3 billion in FY 2015 which is an increase from the FY 2014 level of \$5.6 billion. Health Professions Training Programs administered by HRSA including the Primary Care Training and Enhancement Grants were increased by \$2 million to \$ 38.9 million. Additional programs in Title VII funded by this bill include:

- Health Careers Opportunity Program (\$14.2 million)
- Area Health Education Centers (\$30.3 million)
- Centers of Excellence (\$21.7 million)
- Scholarships for Disadvantaged Students (\$46 million)
- Faculty Loan Repayment (\$1.2 million).

Agency for Healthcare Research and Quality (AHRQ)

Congress allocated \$364 million to AHRQ, which is in line with the FY2014 level and \$30 million above the president's budget request. With additional funding streams added in, AHRQ's total budget would be \$470 million.

Centers for Medicare and Medicaid Services (CMS)

The measure includes \$3.6 billion for CMS management and operations, the same level as FY 2014, with no new funding for the implementation programs created by the *Affordable Care Act* (ACA).

Substance Abuse and Mental Health Services Administration (SAMHSA)

The bill directs SAMHSA to update all of its professional education and training programs for opioid treatment programs. It provides a \$12 million increase for state grants within SAMHSA to expand treatment services for opioid or heroin dependence as well as \$20 million in increased funding for prescription drug abuse prevention within Centers for Disease Control and Prevention (CDC). The CDC is directed to fund this initiative through cooperative agreements that target states that contribute significantly to the national burden of prescription drug overdose morbidity and mortality. The bill also dictates that that funding to states should address data issues, improve data standards and address the ability to share data across state lines and nationally to improve prescription drug overdose prevention activities. Funds are expected to support activities with states to establish or expand prescription drug monitoring databases of physicians writing prescriptions for opiates and pharmacists filling prescriptions.

National Institutes of Health (NIH)

The bill provides \$30.3 billion, an increase of \$150 million over FY 2014.

Ebola

The bill includes \$5.4 billion of emergency funding to prepare for and respond to the Ebola outbreak. This is below the Administration's request for \$6.2 billion.

2. SENATE CONFIRMS SURGEON GENERAL

On Monday, December 15, by a vote of 51-43, the Senate confirmed President Obama's nomination of Dr. Vivek Murthy to be the Surgeon General of the United States. The AAFP issued a [statement](#) supporting the nomination.

3. HEALTH SUBCOMMITTEE REVIEWS FEDERAL HEALTH SPENDING FOR NEXT YEAR

On Tuesday, December 9, the House Energy and Commerce Subcommittee on Health held a hearing to review federal health spending priorities for the next Congress. The subcommittee examined spending for Medicare, Medicaid, and the *Affordable Care Act* (ACA) programs. The subcommittee also explored opportunities for savings and policy options to strengthen the health care safety net and protect the most vulnerable.

4. SUPERVISION REQUIREMENTS FOR PHYSICIAN ASSISTANTS DELAYED

On December 11, the president signed into law HR 4067 to further delay supervision requirements for physician assistants (PAs) operating within critical access hospitals. Currently, PAs may perform certain outpatient therapeutic services in critical access hospitals without the supervision of a physician. This legislation would give CMS time to identify which services will fall under the requirement.

5. HEALTH AND SAFETY BILLS ARE AWAITING THE PRESIDENT'S SIGNATURE

As this session comes to an end, Congress has continued to approve policies focused on health and safety. The following are bills that are awaiting the president's signature:

- *Ebola FDA Priority Voucher Program Act* (S 2917/HR 5729) – On December 3, the House of Representatives approved this legislation which adds Ebola drug research to an existing FDA priority review program for tropical and neglected diseases. The Senate approved the legislation in November.
- *Designer Anabolic Steroid Control Act* (S 2012/HR 4771) – On December 12, the Senate approved legislation to allow the Drug Enforcement Agency (DEA) stronger authority to restrict access to anabolic steroids. The legislation also prevents anabolic steroids from being sold as dietary supplements. The House approved the bill on September 19. The AAFP signed a [letter](#) supporting the legislation.
- *Newborn Screening Saves Lives Reauthorization Act* (HR 1281) – The legislation updates a grant program that promotes screening for genetic, metabolic and congenital conditions that can be detected in newborns. It allows grants to improve timeliness of newborn screening and provide training to health care professionals on the importance of timely screening and on the sharing of medical and diagnostic information with providers and families.
- *Sudden Unexpected Death and Data Enhancement and Awareness Act* (HR 669) – The legislation provides for improved training, data collection and public education activities associated with stillbirth, sudden unexpected infant death (SIDS), and sudden unexplained death (SUID) in children. Currently, state forensic standards vary from state-to-state. The legislation strengthens standards and outreach. The Senate passed the bill on November 20 and the House approved the final version on December 3.
- *Death in Custody Reporting Act* (HR 1447) – The legislation would require local law enforcement to report on deaths that occur among those detained, arrested, in custody, incarcerated or en route to incarceration to federal authorities, and to utilize that information to study ways to improve safety outcomes. The House of Representatives approved the legislation in December of 2013 but the Senate did not approve the measure until December 11, 2014.

6. HHS REPORTS ON REDUCED HOSPITAL-ACQUIRED CONDITIONS

In a [report](#) released December 11, the Agency for Healthcare Research and Quality (AHRQ) reported that the rate of hospital-acquired conditions (HACs), including central line-associated bloodstream infections, bedsores, and falls, decreased 17 percent during 2010-2013. The reduction resulted in 1.3 million fewer harms to hospitalized patients as well as an estimated 50,000 fewer deaths and \$12 billion in savings.

7. HOUSE APPROVES BIPARTISAN BREAST CANCER EDUCATION MEASURE

The House of Representatives on Tuesday, December 9, approved by a voice vote the bipartisan *Young Women's Breast Health Education and Awareness Requires Learning Young Act* (HR 5185). The bill would reauthorize through FY 2019 the *Young Women's Breast Health Education and Awareness Requires Learning Young (EARLY) Act of 2009*, which funds:

- campaigns to educate the public and health care professionals about young women's breast health
- research into prevention of breast cancer in young women
- support programs for young women with breast cancer.

8. TENNESSEE MEDICAID EXPANSION MOVING FORWARD

On Monday, December 15, Tennessee Governor Bill Haslam (R) announced an alternative plan to expand Medicaid and provide health care coverage to thousands of uninsured. The Insure Tennessee plan would give eligible low-income employed individuals a health insurance voucher to pay for premiums and other expenses associated with participation in a plan. Gov. Haslam has said he plans to call a special session in January to focus on the new Medicaid

expansion plan. The expansion plan still has to be approved by the state legislature and CMS, but if it is approved, Tennessee would become the 28th state to expand Medicaid.

9. AAFP COMMENTS ON VA COPAYMENTS FOR 2016 REGULATION

In a December 9 [letter](#) to the U.S. Department of Veterans Affairs, the AAFP responded to the interim final rule titled “Copayments for Medications in 2015.” In this letter, the AAFP supported the VA’s decision to freeze for another year the copayments for medications furnished on an outpatient basis to certain veterans. The AAFP noted that previous, higher copayments have been shown to reduce the utilization of VA pharmacy benefits.

However the AAFP disagreed with the VA’s assertion that “When non-VA providers are also issuing prescriptions, there is a greater risk of adverse interactions and harm to the patient because it is more difficult for each provider to assess if the patient is taking any other medications.” The AAFP countered that by noting the proliferation of e-prescribing and other electronic tools that allow non-VA providers to communicate easily with the VA to treat veterans, monitor prescriptions, reduce wait times, etc. Therefore, the AAFP urged the VA to allow veterans to fill prescriptions written by civilian family physicians at VA pharmacies. The result will reduce significant financial challenges for veterans and maintain some consistency with the delivery of pharmaceutical benefits to them.

10. AAFP COMMENTS ON 2015 FINAL MEDICARE PHYSICIAN FEE SCHEDULE

In a December 9 [letter](#) to CMS, the AAFP responded to the final rule, titled “Medicare Program; Revisions to Payment Policies under the Physician Fee Schedule, Clinical Laboratory Fee Schedule, Access to Identifiable Data for the Center for Medicare and Medicaid Innovation Models & Other Revisions to Part B for CY 2015.” The AAFP expressed concern that CMS did not publish the relative value units (RVUs) for the codes assigned to complex chronic care (99487) and chronic care management (99490). The letter urged CMS to further discuss through rule making the advance care planning codes (99497 and 99498). Finally, the AAFP discussed our disappointment that CMS did not publish any RVUs for the new code Topical Application of Fluoride Varnish (99188).

11. CMS DEFINES LIMIT OF STATES’ MEDICAID DSH PAYMENTS

Last week, the CMS released the [final rule](#) to address hospital-specific limitations on Medicaid disproportionate share hospital (DSH) payments under the *Social Security Act*. Under this limitation, DSH payments to a hospital cannot exceed the hospital’s uncompensated costs of furnishing services to individuals who are Medicaid-eligible or “have no health insurance (or other source of third party coverage) for the services furnished during the year.” This rule provides that, in auditing DSH payments, the quoted test will be applied on a service-specific basis. As a result, the calculation of uncompensated care for purposes of the hospital-specific DSH limit will include the cost of each service furnished to an individual for which the individual had no health insurance or other source of third party coverage.

12. STATE MEDICAID FEDERAL MEDICAL ASSISTANCE PERCENTAGES UPDATE

Last week, the Department of Health and Human Services released a [notice](#) on the Federal Medical Assistance Percentages (FMAP), Enhanced Federal Medical Assistance Percentages (eFMAP), and disaster recovery FMAP adjustments for Fiscal Year 2016 (i.e., October 1, 2015 through September 30, 2016). This notice announces the calculated FMAP rates that the HHS will use in determining the amount of federal matching for state Medicaid, Temporary Assistance for Needy Families Contingency Funds, Child Support Enforcement collections, Child Care Mandatory and Matching Funds of the Child Care and Development Fund, Foster Care Title IV–E Maintenance payments, and Adoption Assistance payments, and the eFMAP rates for the Children’s Health Insurance Program expenditures.

13. REGULATORY BRIEFS

- On December 8, CMS extended the application deadline for the Transforming Clinical Practices Initiative from January 6 to February 5. The four-year initiative aims to help 150,000 clinicians improve patient outcomes and lower costs for Medicare, Medicaid and Children's Health Insurance Program enrollees. CMS expects to award up to \$670 million to Practice Transformation Networks formed by hospitals and health systems, large group practices and others to help clinician practices transform; and up to \$30 million to Support and Alignment Networks formed by professional and other organizations to support the transformation networks and practices.
- On December 8, HHS [released](#) for public comment an updated Federal Health IT Strategic Plan 2015-2020. The Strategic Plan represents a coordinated and focused effort to appropriately collect, share, and use interoperable health information to improve health care, individual, community and public health, and advance research across the government and in collaboration with private industry. Comments are due by February 6.
- On December 9, HHS [released](#) a report titled "Access to Care: Provider Availability in Medicaid Managed Care." It found that "primary care providers were less likely to offer an appointment than specialists; however, specialists tended to have longer wait times." It also found that "Among primary care providers, family practitioners and general internists were less likely to offer appointments than pediatricians: 40 percent of family practitioners and general internists offered appointments compared to 53 percent of pediatricians."
- Also on December 9, HHS [announced](#) \$36.3 million in ACA funding to 1,113 health centers in all 50 states, the District of Columbia, and seven U.S. Territories to recognize health center quality improvement achievements and invest in ongoing quality improvement activities. The health centers receiving awards today are proven leaders in areas such as chronic disease management, preventive care and the use of Electronic Health Records (EHRs) to report quality data.
- On December 11, CMS [announced](#) the bidding timeline for Round 2 Recompete and the national mail-order recompete of the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Competitive Bidding Program.
- CMS will host the following free educational call, [registration](#) is required:
 - Certifying Patients for the Medicare Home Health Benefit on December 16, 1:30pm ET
 - ESRD QIP Payment Year 2017 and 2018 Final Rule on January 21, 2:00pm ET