

July 31, 2015

## IN THIS REPORT...

1. AAFP Urges Attention to Consolidation of Health Plans
2. Health Subcommittee Hears from Family Physician about Rural Health Care
3. Forums to Address the Prescription Drug Abuse Crisis Were Held in DC
4. AAFP Grassroots Urges Senate to Invest in Primary Care
5. FamMedPAC Reports a Busy Month
6. Organizations and Government Celebrate 50<sup>th</sup> Anniversary of Medicare and Medicaid
7. AAFP Lauds Bill to Support Family Caregivers
8. AAFP Supports Making the Meaningful Use Program Physician-Friendly
9. Senate HELP Committee Will Review Mental Health Legislation
10. Regulatory Briefs

### COMING UP IN WASHINGTON...

- \* The House of Representatives has adjourned until September 8.

## 1. AAFP URGES CONGRESS, DOJ TO STUDY INSURANCE MERGERS CAREFULLY

On Monday, July 27, the AAFP sent a [letter](#) to the bipartisan House and Senate leadership to express concerns with recent proposed health insurance industry mergers. The letter calls on the U.S. House of Representatives and Senate to carefully evaluate these proposed mergers which could result in decreased choice for consumers, higher costs for purchasers, and potentially mass disruptions in continuity of care due to narrowing networks of physicians and hospitals. The AAFP sent a similar [letter](#) to the U.S. Department of Justice Antitrust Division on July 28.

## 2. FAMILY PHYSICIAN DISCUSSES RURAL HEALTH AND GME WITH SUBCOMMITTEE

The House Ways and Means Subcommittee on Health held a [hearing](#) to discuss rural health care disparities created by Medicare regulations on Tuesday, July 28. Rep. Kevin Brady (R-TX), who chairs the subcommittee, framed the hearing as helping inform Congress about how to reform Medicare's delivery of health care in rural areas.

The hearing covered a range of topics that impact family medicine. Most notably, the role of Medicare's graduate medical education (GME) policies on rural physician shortages arose frequently. Family physician Daniel Derksen, MD [testified](#) that the annual outlay of roughly \$15 billion in federal GME money should include investments in reforms like Teaching Health Centers. Later in the hearing, Dr. Derksen questioned the wisdom of a framework where "New York gets 9 times what Texas gets in GME." Rep. Jim McDermott (D-WA), the senior Democrat on the panel, alluded to the role of student debt in driving specialty selection and exacerbating primary-care shortages.

Rep. Mike Thompson (D-CA) asked the witnesses how they were using telemedicine and remote patient monitoring to help provide care. One responded that payment parity would allow patients to have a 10-minute visit remotely from home or other convenient location rather than driving 2 hours each way to their hospital. This could apply to remote pharmacy, “tele-emergency,” and psychiatric services. Dr. Derksen agreed that payment parity for telemedicine was critical, but that expansion of telehealth should not erode any of the protections afforded by licensing, credentialing, and privileging processes.

He also advised the subcommittee to reform the structure and financing of primary care GME and use Medicare GME dollars more strategically, echoing the recommendations of the Medicare Payment Advisory Committee and the National Academy of Medicine (formerly the Institute of Medicine).

Finally, Dr. Derksen suggested to Rep. Kristi Noem (R-SD) that states could increase their investment in GME by expanding Medicaid. Indeed, Democratic members frequently responded to the GOP’s concerns over rural hospital closures by pointing out that 80 percent of those closures have occurred in states that have not expanded their Medicaid programs.

### **3. GOVERNMENT, PHYSICIAN GROUPS WORK TO ADDRESS OPIOID CRISIS**

The White House Office of National Drug Control Policy (ONDCP) invited AAFP staff to discuss shared priorities on Monday, July 27. The Administration has committed over \$10 billion to drug prevention programs and supports a balanced public health and safety approach to reducing drug use and its consequences. AAFP shared the [position on pain management and opioid abuse](#) and information on AAFP activities.

Earlier in the week, at a meeting of the National Governor’s Association on Saturday, July 25, the Secretary of HHS, Sylvia Mathews Burwell, announced an additional \$100 million to help fund substance abuse treatment. The Department is releasing the funding for states and community health centers to help combat opioid abuse and expand treatment and services for substance abuse from the Health Resources and Services Administration (HRSA) and the Substance Abuse and Mental Health Services Administration (SAMHSA).

Subsequently on Wednesday, July 29, Robert “Chuck” Rich, MD, who chairs AAFP Commission on Health of the Public and Science, participated in the American Medical Association’s Task Force to Reduce Opioid Abuse. The meeting included an announcement of several recommendations on best practices to combat this public health crisis and move swiftly to implement them nationally.

Also on Wednesday, the Acting Administrator of the Drug Enforcement Administration, Chuck Rosenberg, announced that the 10th National Prescription Drug Take-Back will take place on September 26 from 10 am-2 pm local time. Sites will be set up in various locations so residents can return their unwanted, unneeded, or expired prescription drugs for safe disposal. Collection sites can be found by going to [www.dea.gov](http://www.dea.gov).

### **4. AAFP GRASSROOTS URGES SENATE TO INVEST IN PRIMARY CARE**

The AAFP e-Advocacy program reached out on July 28 to a select group of members to ask that they send a [prewritten letter](#) to their Senators asking them to protect funding for primary care research, education and training. The Senate’s fiscal year 2016 Labor, Health and Human Services, Education spending bill proposes to reduce funding for the Agency for Healthcare Research and Quality (AHRQ) by 35 percent and makes an inadequate investment in physician workforce training grants and the National Health Service Corps (NHSC). This targeted outreach has generated over 80 letters to the Senate so far.

### **5. FamMedPAC WRAPS UP BUSY JULY**

Closing out a busy month, FamMedPAC supported several legislators in this final week before the August recess. The PAC supported 22 legislators this month, contributing \$56,500 to their campaigns. The final week of July saw the PAC host an event at the GR offices in Washington, DC, sponsor an event for the Assistant Democratic Leader in the House for the physician specialty societies, co-sponsor an event for the Vice Chairman of the Senate Democrat Caucus, and attend events for legislators the PAC helped elect in 2014. AAFP President Dr. Bob Wergin was in Washington and attended several events. FamMedPAC supported the following:

- **Rep. Jim Clyburn (D-SC)**, the Assistant Democratic Leader in the House, attended this. FamMedPAC-organized event for the DC-based medical specialty offices
- **Rep. Denny Heck (D-WA)**, whom FamMedPAC supported in his first election in 2012, attended an event in the DC offices of AAFP, which FamMedPAC sponsored and organized for the DC offices of medical specialty societies.
- **Sen. Chuck Schumer (D-NY)**, the Vice Chair of the Senate Democratic Caucus attended a small dinner for which FamMedPAC was a co-sponsor.
- **Rep. Alan Lowenthal (D-CA)**, a psychologist, is married to AAFP member, Dr. Deborah Malumed
- **Rep. Scott Peters (D-CA)**, a member of the House Judiciary Committee, attended this event at which AAFP President, Dr. Bob Wergin, attended in Washington, DC
- **Rep. Jared Huffman (D-CA)**, who was first elected in 2012 with FamMedPAC support attended an event at which AAFP President, Dr. Bob Wergin participated, and which included **Rep. Steve Israel (D-NY)**, a member of the House Appropriations Committee
- **Rep. John Larson (D-CT)**, a member of the House Ways and Means Committee.

## **6. GOVERNMENT CELEBRATES GOLDEN ANNIVERSARY OF MEDICARE, MEDICAID**

This week, the Medicare and Medicaid programs are celebrating their 50<sup>th</sup> Anniversary. On July 30, 1965, President Lyndon B. Johnson signed the law establishing these programs. More than 55 million Americans depend on Medicare for primary care as well hospital stays and critical medical supplies. More than 70 million eligible children, pregnant women, and low-income adults depend on Medicaid for comprehensive coverage. The AAFP signed a Partnership for Medicaid [letter](#) marking the anniversary.

## **7. BIPARTISAN BILL INTRODUCED TO SUPPORT FAMILY CAREGIVERS**

On Wednesday, July 29, the AAFP joined nearly fifty physician and health care advocacy organizations to sign a [letter](#) in support of legislation to help family caregivers. Sens. Susan Collins (R-ME) and Tammy Baldwin (D-WI) and Reps. Gregg Harper (R-MS) and Kathy Castor (D-FL) introduced the *Recognize, Assist, Include, Support, and Engage (RAISE) Family Caregivers Act* (S 1719/HR 3099). The bill, developed and promoted by the Assist Caregivers Today (ACT) Congressional Caucus, which the AAFP helped establish, would create an advisory body for the Secretary of HHS to develop and implement a strategy to support family caregivers.

## **8. AAFP SUPPORTS A MEANINGFUL USE FLEXIBILITY BILL**

On July 30, the AAFP wrote a [letter](#) in support of the *Further Flexibility in HIT Reporting and Advancing Interoperability* (FLEX-IT 2) Act (HR 3309). Rep. Renee Ellmers (R-NC) introduced the legislation on July 29 to reform the Meaningful Use (MU) Program through regulatory flexibility and stronger interoperability requirements. Many of the bill's reforms are consistent with AAFP's [requests](#) to make MU requirements physician- friendly.

HR 3309 would eliminate the current "all or nothing" assessment and replaces it with a standard allowing physicians to be evaluated based on the proportion of MU measures they meet. In addition, the bill will allow both incentives and penalties to be in proportion of MU criteria physician meets. Under the bill, physicians will be able to attest for MU based on a 90-day

reporting period. Also, physicians will be allowed to claim a hardship exception if they switch technology vendors, experience unforeseen circumstances, like becoming the victim of a cyber-attack, is at or near retirement or work in certain specialties with limited patient interaction outside the hospital. Finally, Meaningful Use Stage 3 criteria would be delayed until either 75 percent of hospitals and physicians attest for Stage 2 or when the new Merit-Based Incentive Payment System standards are in place. HR 3309 would also harmonize Centers for Medicare and Medicaid Services quality reporting standards.

## 9. SENATE HELP COMMITTEE WILL REVIEW A MENTAL HEALTH REFORM BILL

On July 29, Senators Lamar Alexander (R-TN) and Patty Murray (D-WA), leaders of the Senate Health, Education, Labor, and Pensions (HELP) Committee, introduced the *Mental Health Improvement and Awareness Act* ([S. 1893](#)). It includes language to require a study of regulatory, administrative, data sharing and other barriers that prevent mental health and substance abuse integration into primary care settings. The primary care integration provisions would also require an analysis of how health information technology can be used to improve and evaluate mental health care access. On August 6, the Senate HELP Committee will consider S. 1893 along with several other bills.

## 10. REGULATORY BRIEFS

- On July 27 CMS [announced](#) new opportunities for states to design service delivery systems for Medicaid beneficiaries with a substance use disorder.
- On July 27, Covered California [announced](#) a modest proposed 4 percent statewide weighted average rate increase for plans offered in 2016 on their Health Insurance Marketplace, which is lower than last year's increase of 4.2 percent. [Final rates](#) for all states will be published no later than Nov. 1, 2015.
- On July 27, the Department of Veterans Affairs [proposed](#) a rule that clarifies policy regarding reimbursement of medications prescribed or provided to veterans during non-VA emergency treatment.
- On July 27 CMS [released](#) frequently asked questions related to early July guidance regarding ICD-10 flexibilities.
- On July 28 Health Affairs and CMS released a [report](#) showing that total health care spending growth is expected to average 5.8 percent in aggregate over 2014-2024. This rate of growth is still substantially lower than the 9 percent average rate seen in the three decades before 2008.
- On July 29, CMS [projected](#) that the average premium for a basic Medicare Part D prescription drug plan in 2016 will remain stable, at an estimated \$32.50 per month. This projection comes despite total Part D costs per capita growing nearly 11 percent in 2014.
- On July 30, CMS [announced](#) that CMS is partnering with the State of Rhode Island to test a new model for providing Medicare-Medicaid enrollees with a more coordinated, person-centered care experience. Under the new Rhode Island demonstration, which is part of Phase II of the Integrated Care Initiative, the participating Medicare-Medicaid Plan will cover Medicare benefits in addition to the Medicaid benefits currently covered through Rhody Health Options. This change will allow the MMP to offer Medicare-Medicaid enrollees an integrated set of benefits to more comprehensively address their individual service needs. Approximately 30,000 individuals will be eligible to enroll in the demonstration.
- CMS will host the following free educational calls, [registration](#) is required:
  - Proposed Reform of Requirements for Long-Term Care Facilities, August 11 at 2:30pm ET
  - Hospital Compare Overall Star Ratings Methodology, August 13 at 1:30pm ET
  - Countdown to ICD-10, August 27 at 2:30pm ET