

- **Tobacco**—California Governor Jerry Brown (D) signed legislation into law last week regulating tobacco. [SB 7](#) makes California the second state to raise the smoking age to 21. [SB 5](#) requires electronic cigarettes to be regulated under the same rules as tobacco products. [AB 7](#) expands tobacco-free workplace rules. [AB 10](#), which would have allowed counties to impose a tax on cigarettes and tobacco products, was vetoed by the Governor. The California AFP was a part of a coalition that advocated for these bills.

10. REGULATORY BRIEFS

- On April 21, CMS sent the AAFP a [letter](#) regarding the affordability of prescription drugs.
- On May 5, CMS [announced](#) the third annual release of the Physician and Other Supplier Utilization and Payment public use data. This data contains summarized information on Part B services and procedures provided to Medicare beneficiaries by physicians and other healthcare professionals. The updated 2014 dataset has information for over 986,000 distinct health care providers (up from 950,000 in 2013) who collectively received \$91 billion in Medicare payments (compared to \$90 billion in 2013).
- On May 9 HHS [announced](#) a challenge to redesign the medical bill for patients.
- On May 10 CMS released [guidance](#) on annual eligibility redeterminations and re-enrollments for Marketplace coverage for 2017.
- On May 11 CMS officials gave a [speech](#) regarding keeping mothers healthy through Medicaid programs.
- On May 12, nearly 500 days after 2014 ended, CMS released the [2014 PQRS Experience Report](#) which provides data and trends on participation. The report found:
 - Participation increased by 11 percent in 2014 from 2013.
 - In 2014, a total of 822,810 (63 percent) EPs successfully participated through at least one reporting mechanism compared to 642,114 (51 percent) EPs who successfully participated in 2013.
 - Participation via Electronic Health Record (EHR) more than doubled in number since 2013.
 - Based on 2014 PQRS reporting, 558,885 EPs are subject to a reduction of 2 percent of their 2016 Part B Medicare Physician Fee Schedule allowed charges.
 - Of those professionals subject to the adjustment, 466,351 were non-participants (those EPs who did not attempt to participate) and 92,534 were participants who were unsuccessful in meeting the reporting requirements to avoid being subject to the PQRS negative payment adjustment in individual or group practices.
 - The 2014 PQRS incentive payments paid equaled \$224,088,411. The average incentive was \$383 per EP and \$4,950 per group practice, with 585,037 EPs and 45,273 group practices receiving incentive payments.
 - 60,113 family physicians were eligible to participate; 14,278 did so.
 - On May 12 CMS published a [fact sheet](#) that details the flexibility and support available to small practices and practices in rural or health professional shortage areas in the MACRA proposed rule.
 - On May 13, HHS [released](#) a final rule to advance health equity and reduce health care disparities. Under the rule, individuals are protected from discrimination in health care on the basis of race, color, national origin, age, disability and sex, including discrimination based on pregnancy, gender identity and sex stereotyping. The AAFP had supported these changes in comment [letter](#) but noted language assistance for people with limited English proficiency is a financial burden to small practices. HHS calculates costs to small entities associated with the final rule amount to an average of \$739 each year.
 - CMS will host the following free educational call, [registration](#) is required:
 - 2015 Mid-Year QRURs Webcast on May 19 at 1:30pm ET