

2. SENATE COMMITTEE PASSES FDA SPENDING BILL

The Senate Appropriations Committee unanimously approved its FY2017 agriculture spending bill (S 1800) on Thursday, May 19. The measure funds the Food and Drug Administration (FDA) providing \$2.8 billion in discretionary funding for the agency in FY2017, \$39 million over the FY2016 level and slightly above the \$2.7 billion approved by House appropriators last month. The Senate explicitly recognized that FDA had the authority to regulate tobacco. This establishes a point of contention with the House bill since it would exempt premium cigars and already marketed e-cigarettes and other tobacco products from FDA oversight. The Senate's bill does include a House-approved provision to prevent FDA from approving gene editing research that modified inheritable traits in human embryos.

3. SENATE, HOUSE REACH A DEAL ON REGULATING TOXIC SUBSTANCES

The Senate and House legislators have agreed on a deal to overhaul the 1976 *Toxic Substances Control Act* which would revise how the Environmental Protection Agency (EPA) regulates toxic substances. The bill makes sweeping reforms that require new safety measures from both EPA and chemical companies, while giving states some flexibility to act on their own if the federal government moves too slowly. A final measure could land the bill on the president's desk before the Memorial Day recess.

4. HOUSE PANEL EXAMINES PLAN TO SUPPORT DIRECT PRIMARY CARE

On Tuesday, May 17, the House Ways and Means Subcommittee on Health held a discussion of various proposals to use federal taxes to improve health care. Of note to family medicine, Rep. Eric Paulsen (R-MN) highlighted a provision of his *Health Savings Act* (HR 4469), which would allow Americans with Health Savings Accounts (HSAs) to enter into contracts with direct primary care (DPC) practices to use their HSA dollars to pay for the monthly DPC fees. Rep. Paulsen referred to DPC as "an innovative alternative payment model offering low monthly membership-based payments for integrated primary care services." Under current tax policy, the IRS bars the use of HSAs to pay direct primary care arrangements. Rep. Paulsen's bill closely resembles the *Primary Care Enhancement Act* (S 1989), sponsored by Sen. Bill Cassidy (R-LA) and Sen. Maria Cantwell (D-WA), which the AAFP has [supported](#).

5. HEALTH SUBCOMMITTEE REVIEWS MEDICARE PART B DRUG DEMONSTRATION

On May 17, the House Energy and Commerce's Health Subcommittee held a briefing to examine the Centers for Medicare and Medicaid Service's (CMS) Medicare Part B drug demonstration program. CMS announced in March that it would implement a value-based payment system that would lower the reimbursement rate for outpatient drugs from an average sales price (ASP) plus 6 percent to the ASP plus 2.5 percent and a flat fee of \$16.80. The second phase would implement value-based purchasing tool utilizing comparative effectiveness and strategies to better evaluate if expensive or new drugs are more effective than other comparable treatments. Rep. Larry Buchson (R-IN) introduced [legislation](#) to block the administration's proposal.

6. FamMedPAC PROMOTIONAL VIDEO AVAILABLE

The FamMedPAC promotional video is now available to download for showing to AAFP members to encourage them to support the PAC. The video is great for chapter meetings. This is a useful tool to help FamMedPAC reach the \$1 million goal for this election cycle.

Download the video here: <https://vimeo.com/137842747>
Password (all caps): AAFP2015