

December 22, 2017

On the Horizon ...

* The AAFP will be closed for the annual holiday break next week and reopen on January 2, 2018.

U.S. CONGRESS

1. Congress Avoids Shutdown, Put Off Action on Key Health Programs

On December 21, Congress passed a short-term spending bill funding the government through January 19, 2018. In addition to funding federal government operations for another month, the bill funds critical health programs. The new law provides \$550 million for Community Health Centers (CHCs), \$65 million for the National Health Service Corps (NHSC), and an additional \$15 million for the Teaching Health Center Graduate Medical Education (THCGME) program for the first half of fiscal year 2018 (October 1, 2017 through March 31, 2018). The bill also extends the Children's Health Insurance Program (CHIP) by providing \$2.85 billion for the first two quarters of FY2018 and extends a current provision for Q1 and Q2 of FY2018 that gives CMS more flexibility over the use of Redistribution Funds provided to states. However, it cuts \$750 million from the Prevention and Public Health Fund to pay for these key public health programs. In a [December 20 letter](#), the AAFP urged Congress to provide long-term funding for CHIP, and other key public health programs.

2. Sweeping Tax Bill Clears Congress; Repeals Obamacare Individual Mandate in 2019

Congress has passed a \$1.5 trillion tax overhaul, which President Trump has promised to sign into law. The bill left intact three provisions in the Internal Revenue Code that the AAFP had [fought to preserve](#): [the student loan interest deduction](#), the tax-free status of graduate-school tuition waivers, and the deduction for medical expenses. The bill removes the individual mandate of the *Affordable Care Act* beginning on January 1, 2019, which the AAFP had [asked Congress to preserve](#).

4. AAFP Joins Physician Groups Urging Halt to Misvalued Codes Process

On December 18, the AAFP sent a [letter](#) to the Senate Finance and House Ways and Means Committees, urging them not to extend a policy set to expire December 31, which has eroded the impact of positive Medicare payment updates for physicians, and kept Medicare physician fees relatively flat.

CENTERING ON THE STATES

1. States Consider Replacement for the Individual Mandate

Officials in five states (CA, CT, MD, NJ, and WA) have commented on considering a state individual mandate if the federal mandate is repealed. The District of Columbia Health Benefit Exchange Authority Executive Board adopted a [resolution](#) to implement an individual responsibility requirement beginning in 2019. Massachusetts would maintain the individual mandate it enacted in 2006. [State Replacement for the Individual Mandate](#) and the [Individual Market Stability Model Law](#) have been introduced by other organizations and are available for

those who wish to advocate for a state replacement. These pieces of legislation will be added to the Center for State Policy Model Legislation Library.

2. CMS to Phase Out Designated State Health Programs (DSHP) in Section 1115 Waivers

On December 15, the CMS Medicaid Director, Brian Neale, sent a [letter](#) to state Medicaid Directors notifying them that CMS will no longer accept state proposals for new or renewing section demonstrations that rely on federal matching funds for designated state health programs (DSHP). The letter states that DSHP raises oversight concerns and increases federal expenditures. Authority for DSHP in current demonstrations will continue until the end of the state's current demonstration period.

EXECUTIVE BRANCH

1. AAFP Comments on 2018 Quality Payment Program Final Rule

On December 19, the AAFP sent CMS a [letter](#) providing recommendations to strengthen primary care for Medicare beneficiaries, to enable more physicians to participate in Advanced Alternative Payment Models (AAPMs), and to further reduce the administrative and regulatory burdens family physicians face in the Merit-based Incentive Payment System (MIPS).

2. PTAC Recommends AAFP Payment Model for Testing

On December 19, the Physician-Focused Payment Model Technical Advisory Committee (PTAC) voted to recommend that HHS test the AAFP's Advanced Primary Care Alternative Payment Model (APC-APM) on a limited scale. Read a related [AAFP News article](#) about this significant accomplishment.

3. AAFP Urges FDA to Allow More Time for Input on Modified Risk Tobacco Products

In a [letter](#) sent on December 20, the AAFP urged FDA to extend an important deadline for comments on modified risk tobacco products. The partial application of Philip Morris International for designation of its tobacco product, IQOS, as a modified risk product would be the first granted by the FDA.

4. Family Physicians Nominated to Advisory Councils

- Amy Mullins, MD, CPE, FAAFP was nominated to the CMS technical expert panel on Quality Measure Development to support the transition to MIPS and APMs.
- Evelyn Lewis, MD, MA, FAAFP, DABDA was nominated to the HHS Advisory Committee on Minority Health.
- Ronald Goldschmidt, MD, David O'Gurek, MD, FAAFP, Pamela Rockwell, DO, Jeffrey Kirchner, DO, FAAFP, AAHIVS, and Ada Stewart, RPh. MD, FAAFP, AAHIVS, HMDC were nominated to the Presidential Advisory Council on HIV/AIDS.