

February 17, 2017

On the Horizon ...

* Both chambers of Congress will be observing the President's Day recess next week.

U.S. CONGRESS

1. Senate Finance Hearing on CMS Nominee

On February 16, the Senate Finance Committee held a confirmation [hearing](#) for Seema Verma to be Administrator of the Centers for Medicare and Medicaid Services (CMS). Ms. Verma is the president and founder of SVC, Inc.—an Indiana-based consulting firm. Ms. Verma's 20-year career has included designing state Medicaid waivers in Indiana, Ohio, Kentucky, and Iowa. The three-hour hearing covered Medicare and Medicaid benefit design, Medicare payment systems, Medicaid financing, health-care fraud, the cost of drugs, and the future of the *Affordable Care Act*. Democrats pressed Ms. Verma for commitments on several prominent issues such as whether the Medicare program should be privatized, whether the age of eligibility should be raised, and the authority of Medicare to bargain for lower drug prices.

Ms. Verma also mentioned administrative burden, volunteering in her opening statement: "Doctors are increasingly frustrated by the number of costly and time-consuming burdens." She emphasized repeatedly the importance of stakeholder engagement early and often as a way to ensure regulations do not unduly hamper providers from delivering care.

2. AAFP Supports Funding to Combat Zika Virus

On February 10, the AAFP and 50 other national organizations sent a [letter](#) to the bipartisan leadership of the House and Senate Appropriations Committees calling on them to provide ample funding to combat the Zika virus in fiscal year 2018.

3. AAFP Opposes Legislation to Weaken FDA's Tobacco Oversight Powers

On February 15, the AAFP signed an organizational [letter](#), along with 41 public health and medical societies, opposing [H.R. 564](#), a bill to exempt cigars and flavored tobacco products from oversight under the *Family Smoking and Tobacco Control Act*. The AAFP supports the U.S. Food and Drug Administration's regulation of the manufacture, sale, and marketing of all tobacco products used for human consumption.

4. Senate Vote Clears Gun Background Check Rule Roll Back for Trump Signature

The U.S. Senate on February 15 approved 57-43 a resolution ([H.J.Res. 40](#)) to abolish a 2016 regulation requiring mentally ill Social Security Administration beneficiaries' names added into the National Instant Criminal Background Check System, the federal gun background check system. The House approved it on February 2 on a vote of 235-180. The Senate's approval clears the way for the President Trump's signature. Once finalized, the gun background data requirement will be permanently eliminated until Congress reinstates the policy as a federal law.

5. Senate Appropriators Examine Mental Health Funding

The Senate Labor-HHS Appropriations Subcommittee held a [hearing](#) on February 15 to examine mental health treatments and services. Subcommittee Chairman, Sen. Roy Blunt (R-MO) described mental illness as a critical, bipartisan public health issue.

6. House Judiciary Subcommittee Explores McCarran-Ferguson Act Repeal

The House Judiciary Committee Subcommittee on Regulatory Reform, Commercial and Antitrust Law held a [hearing](#) this week on the *Competitive Health Insurance Reform Act* ([HR 372](#)) introduced by Rep. Paul Gosar (R-AZ). The legislation would remove the insurance industry's exemption from federal antitrust regulations. Testimony focused on consumer protections and increased competition. AAFP [policy](#) recommends that primary care physicians be given the same exemption from federal antitrust regulation that is enjoyed by health insurance companies under the McCarran-Ferguson Act.

7. House Committee Reviews Potential Food Stamp Consumer Purchasing Restrictions

The House Agriculture Committee held a [hearing](#) titled, *Pros and Cons of Restricting SNAP Purchases*, to review potential consumer purchasing restrictions under the Supplemental Nutrition Assistance Program (SNAP). Legislators raised the feasibility of prohibiting beneficiaries from purchasing sugar-sweetened beverages or junk food as part of the upcoming Farm Bill reauthorization. Rep. Colin Peterson (D-MN), the Committee Ranking Member, shared concerns about how junk food was defined when Minnesota state officials tested this approach.

CENTERING ON THE STATES

1. Bills of Interest

- **Health Insurance Marketplaces** – The Colorado Senate Finance Committee passed [legislation](#) which would repeal the Colorado Health Benefit Exchange, their state health insurance exchange.
- **Medicaid Expansion** – Arkansas has introduced [legislation](#) which would create the Medicaid Expansion Enrollment Freeze Act of 2017. The bill states that the Medicaid Expansion Program has grown to an unsustainable level and claims that stopping enrollment is necessary to ensure the solvency of the program going forward. HB 1465 stops new enrollment as soon as reasonably possible.
- **Medicaid Reform** – Missouri has passed [legislation](#) out of committee which would require the state to apply for a waiver to implement new Medicaid eligibility work requirements, health savings accounts, and cost-sharing. The waiver includes provisions that “propose or accept funding mechanisms similar to a federally-capped block grant, which may include capped per capita allocations, capped allotments, or shared savings based on per-enrollee spending targets, adjusted for inflation, state gross domestic product, state population growth, state Medicaid population growth, natural disasters, extensive economic downturns, and other economic and demographic factors, for the duration of the waiver.”
- **Provider Networks** – Colorado [SB 88](#) would improve transparency in health insurance provider networks by requiring a health insurer to develop, use, and disclose to participating and prospective health care providers the standards the carrier uses. This is a Colorado AFP priority bill.

EXECUTIVE BRANCH

1. AAFP Sends HHS Recommendations to Improve Health IT and EHRs

The AAFP sent a [letter](#) to HHS Secretary Price on February 16 that discussed opportunities to improve health IT and EHRs to be useful tools that are responsive to clinicians' needs. The letter addressed:

- Lack of access to the right data to make the right decisions,
- Antiquated functionality profile of current health IT,
- Health IT that is extinguishing the joy of practice, and

- Mismatch between regulatory requirements and CEHRT functionality.

2. Advanced Primary Care Alternative Payment Model Letter of Intent Sent

On February 16, the AAFP sent the Physician-Focused Payment Model Technical Advisory Committee a [letter](#) of intent in advance of the AAFP submitting a payment proposal for an “Advanced Primary Care Alternative Payment Model (APC-APM) for Delivering Patient-Centered, Longitudinal, and Coordinated Care.” The AAFP will submit a full proposal in March.

3. Regulatory Briefs

- On February 15, CMS [proposed](#) a rule to reform 2018 marketplace policies. Public feedback is due by March 7 and the AAFP is reviewing the proposal for potential comment.
- On February 15 CMS released [data](#) showing that national health expenditure growth is expected to average 5.6 percent annually over 2016-2025. National health spending growth is projected to outpace projected growth in Gross Domestic Product (GDP) by 1.2 percentage points. As a result, the report also projects the health share of GDP to rise from 17.8 percent in 2015 to 19.9 percent by 2025.
- CMS will host the following free educational calls; [registration](#) is required:
 - Understanding and Promoting the Value of Chronic Care Management Services Call, on Feb 21, 1:30 pm ET.
 - Looking Ahead: The IMPACT Act in 2017 Call, Feb. 23, 1:30pm ET
 - Global Surgery: Required Data Reporting for Post-Operative Care Call, Apr. 25, 1:30pm ET

JUDICIAL BRANCH

1. Appeals Court Rules on Florida’s Gun Gag Law

On February 16, a federal appeals judge [ruled](#) that the state of Florida’s gun counseling gag law was unconstitutional. The Firearm Owners Privacy Act, enacted in 2011, prohibited physicians from asking about gun ownership except when “clinically necessary.” The law also prohibited doctors from entering gun ownership data into medical records. Since the law was enacted, Florida physicians and medical societies have challenged the policy in the courts, including the American Academy of Family Physicians, American Academy of Pediatrics, and American College of Physicians. The law was initially struck down by a U.S. District Judge in Miami. Then, it was upheld by the Eleventh Circuit Court in Atlanta.

2. Health Insurance Mergers Split

Aetna and Humana have called off their planned merger citing the previous federal judge ruling in January. Aetna’s CEO stated that the current environment makes it too challenging to continue pursuing the transaction and will pay Humana a \$1 billion fee for backing out of the agreement. Additionally, Cigna has announced that they will terminate their \$54 billion merger agreement with Anthem after recent court rulings.

TAKE ACTION

1. Read the House Policy Brief and Resources on Obamacare Repeal and Replace

On February 16, 2017, the House of Representatives released a 19-page [document](#) entitled “Obamacare Repeal and Replace: Policy Brief and Resources.” The document presages a process in the coming weeks under which the House GOP could mark up and the bring to the floor a budget reconciliation bill that repeals the ACA’s individual mandate and subsidies, provides a new age-rated tax credit for those in the individual insurance market, expands opportunities to use health savings accounts (HSAs), transitions Medicaid financing into a per capita cap system, and provides states with dedicated financing to shore up insurance markets.

2. FamMedPAC Raises Visibility of AAFP at Events in DC This Week

Please consider helping FamMedPAC work for you by making your 2017 contribution [online](#). FamMedPAC participated in several events this week with the physician PAC community in Washington, D.C. including:

- [National Republican Congressional Committee](#), the campaign committee for House Republicans. Physician PACs participated in two events this week: a meet and greet reception for newly elected Republican House Freshmen and a roundtable breakfast hosted by NRCC Chair [Rep. Steve Stivers \(R-OH\)](#) , [Rep. Phil Roe, MD \(R-TN\)](#), and members of the [House Doctors Caucus](#).
- [Democratic Senatorial Campaign Committee](#), the campaign committee for Senate Democrats. GR Staff attended a breakfast roundtable discussion with [Sen. Richard Blumenthal \(D-CT\)](#), who serves on the Senate Judiciary Committee.
- [Rep. Martha McSally \(R-AZ\)](#) held a meet and greet for the physician PAC community.
- [Rep. Richard Neal \(D-MA\)](#), the Ranking Democrat on the House Ways and Means Committee held a fundraising breakfast with physician PACs.