

January 13, 2017

On the Horizon ...

* On January 18, Senate Committee on Health, Education, Labor and Pension will hold a nomination hearing for HHS Secretary-designate Tom Price, MD.

* On January 20, Donald J. Trump will take the oath of office to become the 45th President.

U.S. CONGRESS

1. Passage of Budget Resolution Health Care Law Repeal Pathway

The Senate passed (51-48) the fiscal year 2017 budget resolution ([S.Con.Res. 3](#)) Thursday, January 12 taking the first step toward repealing the *Affordable Care Act* (ACA). The House completed action on the budget resolution on Friday, January 13 (227-198). The concurrent resolution, which does not need a Presidential signature, instructs congressional committees to propose ACA repeal by January 27.

Senate passage followed hours of debate in which Democrats offered “message” amendments drafted in part to highlight Republicans’ targeting of the health law and Republicans offered amendments to repeal the ACA. The 24 [amendments](#) brought to roll call votes failed on party lines. An amendment filed but not offered by Democratic Sens. Cory Booker (NJ) and Jeanne Shaheen (NH) sought to authorize the Senate Budget Committee Chair to encourage “primary health care providers, including board-certified family physicians, to participate in the Medicaid program . . . through measures such as reinstating the enhanced matching rate for primary care services.” The Academy expressed support for the amendment at the staff level. Other amendments to protect public health priorities failed without a recorded vote including: an amendment by Sen. Richard Blumenthal (D-CT) to prevent policies to reduce the Prevention and Public Health Fund; Sen. Tom Carper’s (D-DE) amendment to create a point of order against legislation that would reduce tobacco cessation coverage in Medicaid and private insurance plans; and an amendment offered by Sen. Debbie Stabenow (D-MI) to prevent mental health cuts.

Lowering prescription drug prices was also an important budget debate theme. Senators defeated three amendments to address prescription drug prices, including one proposal to allow for drug importation. It failed 46-52, but received bipartisan [support](#). Sen. Amy Klobuchar (D-MN) offered an amendment to repeal the “non-interference” clause to prohibit Medicare drug price negotiation. Prior to the vote, the AAFP sent a [letter](#) indicating support for this policy. The action follows a [resolution](#) approved during the 2016 Congress of Delegates. Government Relations staff will continue to identify federal policies consistent with the organization’s position.

2. House Passes AAFP- Supported Bill for Sports Medicine Liability Flexibility

On January 11, the AAFP [shared](#) its support for the *Sports Medicine Licensure Clarity Act of 2017* ([HR 302](#)) with bill sponsors Reps. Brett Guthrie (R-KY) and Cedric Richmond (D-LA). The legislation would provide civil and criminal medical liability protections for athletic trainers and sports medicine physicians to treat athletes, an athletic team, or staff member when traveling

outside the state where they are licensed to practice. The House approved the bill by voice vote. The bill was approved by the House in 2016 but was not taken up in the Senate.

3. Diabetes Prevention Bill Approved in the House of Representatives

The House of Representatives approved the *National Clinical Care Standards Act* ([HR 309](#)) on January 10, by voice vote. The legislation, sponsored by Rep. Pete Olson (R-TX), is designed to improve clinical care standards for diabetes patients and the 86 million people who have prediabetes. The bill will establish a commission of governmental and non-governmental experts to review health care, prevention, and delivery standards. The commission will include subspecialists, primary care physicians, health professionals, patient advocates, and other experts. The AAFP [supports](#) the legislation.

4. Bill Introduced to Restore FSAs and HSAs Reimbursement for OTC Medicines

On Wednesday, January 11, a bipartisan bill was introduced to unwind a provision in the ACA, namely, the rule requiring holders of tax-preferred health-care accounts such as Flexible Savings Arrangements (FSAs) and Health Savings Accounts (HSAs) to obtain a physician's prescription to use those funds to purchase over-the-counter (OTC) medications. The *Restoring Access to Medication Act* ([S 85/HR 394](#)) was introduced by Sens. Pat Roberts (R-KS) and Heidi Heitkamp (D-ND), and Reps. Lynn Jenkins (R-KS) and Ron Kind (D-WI). The AAFP is a member of the [Health Choices Coalition](#), which supports the legislation. This legislation passed Congress in 2016, as part of the *Restoring Americans' Healthcare Freedom Reconciliation Act* ([HR 3762](#))—the name of the GOP's vehicle to repeal key sections of the ACA—which was vetoed by President Obama. It is likely that it will be included again in a bill to repeal and replace the ACA.

CENTERING ON THE STATES

1. Bills of Interest

This week 19 states began their 2017 legislative sessions. Center for State Policy staff will be monitoring legislation throughout the session and provide weekly updates on bills that may be of interest to members.

- **Medicaid Waiver** – South Carolina [HB 3115](#) would establish the South Carolina Access to Health Care Act, which would direct the State Department of Health and Human Services to design a health care coverage program comparable to Arkansas's. The bill would accept federal funds allowing uninsured persons to obtain private health insurance with premiums paid for by federal funds.
- **Preceptor Tax Credits** – Kentucky [SB 93](#) would establish an individual income tax credit for Kentucky-licensed physicians who as voluntary preceptors administer at least three core clinical rotations for certain medical students.
- **Prior Authorization** – North Dakota [HB 1120](#) would require prior authorization for individuals under 21 who have 5 or more concurrent prescriptions for antipsychotics, antidepressants, anticonvulsants, benzodiazepines, mood stabilizers, sedatives, hypnotics, or medications used for the treatment of attention deficit hyperactivity disorder.
- **Medical Malpractice** – New York [AB 906](#) creates a medical malpractice relief fund for health care providers to reduce the increasing costs of medical malpractice insurance. The fund would be financed by a new one-half to one percent tax on health maintenance organizations' profits.
- **Network Adequacy** – Minnesota [HB 73](#) requires health maintenance organizations to participate in the commercial market to the same extent that they serve state health program enrollees.
- **Transparency** – Missouri [HB 388](#), also known as the "Missouri Freedom to Choose Health Care Act," requires health insurance companies to annually submit a list of their standard reimbursement rates for covered services to the Department of Insurance which will post the information on the department's website.

THE EXECUTIVE BRANCH

1. CMS Highlights CPC and CPC+ in Blog Post

On January 12, CMS released a [blog](#) that highlighted the Comprehensive Primary Care initiative (CPC), a model from the CMS Innovation Center that ran from 2012 to 2016 and in which CMS convened other payers in seven regions to test whether this model could achieve better care, smarter spending, and healthier people. As part of this, CMS referenced that “many CPC practices are taking the important skills and lessons they’ve learned into the newest Innovation Center primary care model, Comprehensive Primary Care Plus ([CPC+](#)).” Built on the foundation of CPC, CPC+ began on January 1, 2017, supporting primary care practices in 14 regions, with over 50 commercial payers and state Medicaid agencies partnering with CMS.

2. Regulatory Briefs

- On January 11, President-Elect Trump nominated David Shulkin, MD as Secretary of Veterans Affairs.
- On January 10, CMS announced the Pennsylvania Rural Health Model, to increase rural access to care while reducing the growth of hospital expenditures across payers, including Medicare. Participating rural hospitals will receive all-payer global budgets—or a fixed amount of money that is set in advance and funded by all participating payers—to cover the inpatient and outpatient services they provide.
- CMS will host the following free educational call; [registration](#) is required:
 - ESRD QIP: Payment Year 2020 Final Rule Call, Jan. 17, 1:30 pm
 - Home Health Groupings Model Technical Report Call, Jan. 18, 1:30 pm
 - Home Health Quality of Patient Care Star Rating Call, Jan. 19, 1:30 pm
 - Transitioning from PQRS to MIPS Call, Jan. 24, 2:00 pm

TAKE ACTION

1. Calling all Chapters!

FamMedPAC will present the annual PAC Chapter Awards at the National Conference of Constituency Leaders. Four awards are given by chapter size for those who contributed the highest amount to the PAC in 2016. The Chairman’s Award is given regardless of size to the chapter with the highest percentage of its members contributing to the PAC at the Club George level (\$1 per day) and above. The numbers are in and the 2016 awards go to:

Small Chapter:	Montana:	\$10,574.00
Medium Chapter:	Oklahoma:	\$10,844.00
Large Chapter:	Massachusetts:	\$16,146.00
Extra-Large Chapter:	California:	\$35,530.00
Chairman’s Award:	South Dakota	4.66% (Club George Percentage)

It’s a new election cycle and you can help your Chapter win in 2017! Encourage your fellow Chapter members to support FamMedPAC. Please click on the [FamMedPAC Donation Page](#) to make your 2017 contribution on-line and help us fight for you and your patients!

2. The Health Care Coverage Debate is Just Getting Started

AAFP members have weighed in on preserving health care coverage in record numbers. With the Congress moving forward with the plan to repeal the landmark health care legislation, it is more important than ever for family medicine’s voice to be heard. If you would like to join 4071 family physician colleagues in sending a letter to your legislators, please click [here](#).