

March 17, 2017

On the Horizon ...

- * On March 21, the Senate Health, Education, Labor, and Pensions Committee will hold a hearing to examine FDA user fee agreements, focusing on improving medical product innovation for patients.
- * Also on March 21, the House Appropriations Subcommittee on Labor, Health and Human Services, and Education will hold a hearing on the National Institutes of Health's budget.
- * On March 22, the House Oversight and Government Reform Subcommittee on Health Care, Benefits, and Administrative Rules will hold a hearing examining the impact of voluntary restricted distribution systems in the pharmaceutical supply chain.

U.S. CONGRESS

1. House Budget Committee

The AAFP [wrote](#) to House Budget Committee on March 13 in advance of their consideration of the draft *American Health Care Act* (AHCA) to make recommendations to address concerns with the measure. The letter also indicated that if major changes are not made to the AHCA to fully address the recommendations and concerns noted above, the AAFP will consider opposing its passage. On March 16, the House Budget Committee agreed, on a vote of 19-17, to forward the AHCA without amendment to the full House. Three Republicans – Reps. Mark Sanford (SC), Dave Brat (VA) and Gary Palmer (AL) – voted against the measure. The Budget Committee released a one-page [summary](#) about the measure.

The Congressional Budget Office (CBO) issued a [cost estimate](#) for the ACHA which found that it would reduce federal deficits by \$337 billion over the 2017-2026 period, largely from cuts to the Medicaid program. The estimate also projected that the AHCA would reduce the number of people covered by health insurance. In 2018 under the AHCA, 14 million more people would be uninsured than are under current law, and the uninsured number would rise to 21 million in 2020 and 24 million in 2026.

2. Trump Administration FY 2018 Budget Blueprint Threatens AAFP Priorities

The Office of Management and Budget (OMB) released [America First: A Budget Blueprint to Make America Great Again](#) on March 16. In a [statement](#) prompted by the budget outline, the AAFP encouraged Congress to reject these cuts proposed by the OMB. Overall, the blueprint calls for more than \$15 billion in savings from the Health and Human Services (HHS) agencies and programs or a nearly 18 percent cut to HHS. Specifically, it proposes \$5.8 billion in cuts to the National Institutes of Health (NIH) even as it proposes to consolidate the Agency for Healthcare Research and Quality (AHRQ) into NIH. The budget blueprint lacks account specificity, but the proposed \$403 million cut to health professions training programs is thought to target the Nursing Corps Scholarship Program.

3. House Democrats Hold Mock Hearing on American Health Care Act

On Thursday, the House Minority Whip Rep. Steny Hoyer (D-MD) convened a mock hearing on the impacts of the *American Health Care Act* (AHCA)—the House Republicans' current legislative vehicle to repeal and replace the *Affordable Care Act*. While not a true legislative hearing (which may be held only by the GOP while they hold the majority) the session fulfilled the function of such a hearing, eliciting testimony from expert witnesses in a public setting on the AHCA's ramifications on patients and providers. The second panel included Sam Zager, MD, a family physician and AAFP member practicing in Portland, Maine. All of the patient and provider advocates testified about the positive impacts the ACA has had on their patients' and families' ability to receive care—particularly for debilitating and chronic conditions such as cancer and asthma. Dr. Zager, who appeared in his capacity as a patient advocate and not on behalf of the AAFP, testified in particular about his work with patients who suffer from opioid addiction, and the reliance of those patients on the coverage expansion under the ACA.

CENTERING ON THE STATES

1. Bills of Interest

Following are a few bills that may be of interest:

- **Direct Primary Care** – Direct primary care legislation is moving forward. [Kentucky](#), [Montana](#), [Virginia](#), and [West Virginia](#) have passed DPC legislation. All of the measures await their respective Governor's signature. DPC legislation in [Alabama](#), [Colorado](#), and [Georgia](#) has passed one chamber of its legislature. Additionally, [Florida](#) DPC legislation has unanimously passed the House Health and Human Service Committee.
- **Prescription Drug Abuse** – California has introduced [legislation](#) which would prohibit a doctor from prescribing oxycodone, or whatever trade name designated, to a patient under 21 years of age.
- **Prescription Opioid Tax** – [Connecticut](#) and [Minnesota](#) have introduced legislation and a California Assembly member [plans](#) on introducing legislation which would tax prescription opioids. This was previously introduced in Pennsylvania.
- **Primary Care** – Oregon has introduced [legislation](#) which prohibits coordinated care organizations from spending less than 14.4% of their global budget on primary care and community health.
- **Right-to-Try** – 15 states (AK, DE, IA, KS, KY, MA, MD, NE, NJ, NY, PA, RI, VT, WA, and WI) have introduced Right-to-Try [legislation](#), which authorizes access to and use of experimental treatments for patients with an advanced illness. There are 33 states that have passed Right-to-Try. A similar bill was vetoed by Governor David Ige (D-HI) in 2016.

2. Governors Speak Out on AHCA

Over 40 Governors have commented on the *American Health Care Act*. Almost every Democratic Governor has made statements opposing the AHCA and Republican Governors have increasingly begun to express their [concerns](#). Three Republican Governors (KY, [ME](#), and MS) have expressed that the proposal isn't conservative enough. Other GOP Governors have assured constituents that this is a first step.

On Thursday, four GOP Governors, Asa Hutchinson (AR), Brian Sandoval (NV), John Kasich (OH), and Rich Snyder (MI) sent a letter to Republican congressional leaders that they oppose the House's replacement bill, citing coverage losses, lack of flexibility, and a significant cost shift to the states. In the letter they provided a compromise proposal that outlines 10 guiding principles for Medicaid reform.

3. DHS Secretary and CMS Administrator Promise New Era for Medicaid

HHS Secretary Tom Price and CMS Administrator Seema Verma sent Governors a [letter](#) promising to give states more freedom to design programs that meet the diverse needs of their Medicaid populations. Some of the key areas for enhanced collaboration are improving federal and state program management, supporting approaches to increase employment and

community engagement, aligning Medicaid and private insurance policies for non-disabled adults, providing reasonable timelines and processes for home and community-based services transformation, and supplying states with more tools to address the opioid epidemic.

Sen. Ron Wyden (D-OR), Ranking member of the Senate Finance Committee, and Rep. Frank Pallone (D-NJ), Ranking member of the House Energy and Commerce Committee, sent Secretary Price and Administrator Verma a [letter](#) in response. The letter expressed their concern with approval of waivers based on policies that are not in line with Congress' longstanding intent for the Medicaid program and a reminder of the statutory objectives of the Medicaid program

4. Center for State Policy Resources Available

The AAFP Center for State Policy has released a new resource on [direct primary care](#). This resource aims to help chapters as they continue to advocate on behalf of family medicine.

5. Health Insurance Marketplaces Enrollment Report

Approximately 12.2 million consumers selected or were automatically re-enrolled in a Marketplace plan during the November 1, 2016 - January 31, 2017 enrollment period. Of this number, 31% of plan selections were new to the Marketplaces. Nationally, 83%, or nearly 10.1 million consumers who selected a plan had premiums reduced by advance payments of the premium tax credit.

EXECUTIVE BRANCH

1. AAFP Nominates Three Family Physicians to MedPAC

On March 10, the AAFP sent a letter to the U.S. Government Accountability Office to nominate three family physicians and active AAFP members to serve on the Medicare Payment Advisory Commission (MedPAC). The AAFP was pleased to nominate Melissa Gerdes, MD, ABFM, FAAFP; Scott Howell, DO, MBA, MPH&TM, MA, CPE; and Robert Wergin, MD, FAAFP.

2. Regulatory Briefs

- On March 13, HHS and the Department of Treasury [reminded](#) states about ways to foster healthcare innovation by giving states greater flexibility via Section 1332 of the *Affordable Care Act* (ACA), which permits a state to apply for a State Innovation Waiver to pursue innovative strategies for providing its residents with access to high quality, affordable health insurance.
- On March 13, HHS Secretary Price released a [statement](#) on the CBO report on the *American Health Care Act*.
- On March 14 senior Administration officials released a [statement](#) titled, "The American Health Care Act Will Restore, Protect, and Preserve the Doctor-Patient Relationship."
- On March 15 CMS [released](#) data pertaining to the health insurance marketplaces 2017 open enrollment period which occurred from November 1, 2016 – January 31, 2017. Approximately 12.2 million consumers selected or were automatically re-enrolled in Marketplace plans during that period.
- On March 15, CMS' Office of Minority Health and the Federal Office of Rural Health Policy at HRSA introduced [Connected Care](#), an educational initiative to raise awareness of the benefits of chronic care management (CCM) services for Medicare beneficiaries with multiple chronic conditions and to provide health care professionals with support to implement CCM programs. Connected Care is a nationwide effort within fee-for-service Medicare that includes a focus on racial and ethnic minorities as well as rural populations, who tend to have higher rates of chronic disease.
- CMS will host the following free educational calls; [registration](#) is required:
 - National Partnership to Improve Dementia Care and QAPI March 21, 1:30 pm ET
 - DMEPOS Adjusted Fee Methodology for Non-Bid Areas, March 23, 1:00 pm ET
 - IMPACT Act: Standardized Patient Assessment Data March 29, 1:30 pm ET

- Medicare Shared Savings Program ACO: Preparing to Apply for the 2018 Program Year Call, on April 6, at 1:30p ET
- Open Payments: Prepare to Review Reported Data April 13, 12:30 pm ET
- Medicare Shared Savings Program ACO: Completing the 2018 Application Process Call, on April 19, at 1:30p ET
- Global Surgery: Required Data Reporting for Post-Operative Care April 25, 1:30pm ET

TAKE ACTION

1. Tell Congress Your Concerns with the American Health Care Act (AHCA)

On March 15, the AAFP began enlisting its grassroots advocates to send messages voicing concern over the AHCA focusing on its projected increase in uninsured patients. Use this [tool](#) to send a letter directly to your elected officials, asking them to preserve the keep coverage gains and stop interruption of patient-physician relationship. The AAFP will also be running a social media campaign supporting this effort from March 18–March 23. You can participate by reposting AAFP’s messages and/or posting your own message using #Docs4Coverage.

2. FamMedPAC Keeping High Profile During Health Care Debate

As AAFP monitors the “repeal and replace” debate, FamMedPAC is helping maintain our visibility with key legislators. Please consider helping FamMedPAC work for you by making your 2017 contribution online. FamMedPAC participated in the following events this week in Washington, DC:

- **Rep. Kevin Brady (R-TX)**, the Chair of the House Ways and Means Committee
- **Rep. Nita Lowey (D-NY)**, the Ranking Democrat on the House Appropriations Committee.