AMERICAN ACADEMY OF FAMILY PHYSICIANS
STRONG MEDICINE FOR AMERICA

WASHINGTON UPDATE

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February 9, 2018

On the Horizon …
* On February 12, President Trump is expected to release his budget request for FY 2019.
* On February 13, the Senate HELP Committee will review the Animal User Fee Agreement.
* On February 14, the House Budget Committee will hold a hearing on the President's budget.
* On February 14, the House Energy and Commerce Committee will review the impact of health care consolidation.
* On February 15, the House Energy and Commerce Committee will review the HHS FY2019 budget.

TAKE ACTION

Bipartisan Budget Deal Includes Funding for Teaching Health Center Programs
Big thanks to AAFP grassroots advocates who sent 70 letters to congress in support of funding for teaching health center programs.

U.S. CONGRESS

1. Budget Deal Funds AAFP Priorities
The AAFP issued a statement of support for the Bipartisan Budget Agreement (HR 1892) announced February 7 which passed the Senate 71-28 and the House 240-186. The bill was signed into law by President Trump on February 9. The deal announced by Senate leaders extends the Children's Health Insurance Program for an additional 4 years and extends funding by 2 years for Community Health Centers, the Teaching Health Center Graduate Medical Education program, and the National Health Service Corps. The bipartisan deal includes several provisions addressing AAFP priorities as outlined in the summary at the end of this update.

2. Senate HELP Committee Discusses Families and the Impact of Opioid Addiction
On February 8, the Senate Health, Education, Labor, and Pensions (HELP) Committee held a hearing on programs targeted at the needs of children and families impacted by opioid addiction. At the hearing, Sen. Alexander indicated that the Senate HELP Committee would be considering legislation to build on the provisions in the *Comprehensive Addiction and Recovery Act* (PL 114-669) and the *21st Century Cures Act* (PL 114-255).

CENTERING ON THE STATES

1. Bills of Interest
- **Prior Authorization –** Many states (CO, NJ, WA, and WI) have introduced legislation that would prohibit health plans from requiring providers to obtain prior authorization for substance use disorder (SUD) treatment, including medication-assisted treatment. These states could join IL, MA, MD, and NY, as well as insurers, including Aetna and Cigna, in ending prior authorization for these drugs. MS is currently debating HB 1130, which would prohibit Medicaid from requiring prior authorization for drugs prescribed to treat SUD.

- **Universal Primary Care –** Vermont's S 53 would establish a system of universal, publicly funded primary care in the state without cost-sharing or deductibles and would cover a wide range of services and primary care providers and counselors. This primary care expansion would be funded jointly by a combination of new taxes, federal money and state waivers, although it is unclear what the impact on physician payment would be.
- **Drug Repository Programs –** NY and VT have introduced legislation that would establish drug repository programs to accept unused prescriptions to donate to eligible community members. Massachusetts' HB 1222 would allow a more targeted repository program focused specifically on cancer drugs. Those three states would join 43 states that operate some sort of drug repository program.

2. Chapter Advocacy Webinar – Primary Care Spend
Registration is open for the Chapter Advocacy Webinar focused on Primary Care Spend. The webinar, scheduled for February 21 at 12:30 p.m. CT, will include presentations from the Oregon AFP, Robert Graham Center, and the AAFP Government Relations team.

3. National Governors Association (NGA) Increases Work on Opioid Epidemic
The NGA released a list of recommendations for federal action to end the nation's opioid crisis. The list includes several suggestions related to five overarching themes – federal support and coordination, data and information sharing, prevention and early intervention, treatment and recovery, and enhanced support for public safety. Additionally, the NGA has announced new projects related to infectious diseases and Neonatal Abstinence Syndrome.

4. Work Requirement Approved in Indiana Waiver
On February 2, Indiana became the second state to receive Section 1115 approval to establish a work requirement and eligibility lock out. The state estimates that these provisions will lead to a 1 percent cut in Medicaid enrollment and a $15 million reduction in Medicaid costs in 2018.

5. Oklahoma Section 1115 Amendment Funds Residency and Loan Repayment Programs
Oklahoma submitted for CMS approval a Section 1115 waiver amendment that would fund "supplemental payments" to allow Oklahoma public universities and other federally recognized residency programs within the state to recruit and train medical residents. The amendment also includes a proposed physician loan repayment program to encourage providers to practice in rural and underserved areas. A similar amendment was denied by CMS in December 2017 on the grounds that any Medicaid payments must be linked to services for beneficiaries.

EXECUTIVE BRANCH

1. Administrative Simplification Suggestions Sent to CMS and ONC
In a February 7 letter to CMS and the HHS Office of the National Coordinator for Health Information Technology (ONC), the AAFP provided further recommendations to reduce clinician burden from health information technology.

2. CMS Changes E/M Documentation Requirements for Medical Students
Per the AAFP's repeated requests, in a February 2 CMS manual change, the agency clarified that medical students may document Evaluation and Management services in the medical record as long as the teaching physician both verifies in the medical record all student documentation and personally performs the physical exam and medical decision-making activities of the E/M service being billed.

3. AAFP Comments to FDA on Nicotine Replacement Therapies
In a letter sent to the FDA on February 7, the AAFP responded to a request for comments on evaluating nicotine replacement therapies. The letter argued that over-the-counter nicotine replacement products are most effective in smoking cessation when paired with counseling.

4. Comments Sent on Child Nutrition Programs
On February 7, the AAFP wrote the Food and Nutrition Service (FNS) within the U.S. Department of Agriculture to influence food crediting in child nutrition programs. The letter argued that sound nutrition should be reflected in all dietary offerings in schools and called for improvements in how Child Nutrition Programs are assessed.

5. AAFP Medical Director appointed to CMS panel on quality measures
On February 6, Amy Mullins, MD, Medical Director, Quality Improvement was selected to serve on the 2018–2019 Technical Expert Panel for the CMS Quality Measure Development Plan. The AAFP nominated her to this panel in a letter sent December 19, 2017.

AAFP Priorities in the Bipartisan Budget Agreement

Physician Payment

- ✓ Modifies the Merit-Based Incentive Payment System (MIPS), including allowing CMS to extend Pick Your Pace through 2021, and easing the transition into using resource use (cost) measures.
- ✓ Extends Work GPCI Floor through January 1, 2020.
- ✓ Repeals requirement under Meaningful Use (now re-branded as ACI) that electronic standards for EHR use become more stringent over time.
- ⇩ For CY 2019, reduces positive update to Medicare physician payment conversion factor from 0.5 percent to 0.25 percent.

Delivery Reform

- ✓ Extends the length of the Independence at Home Demonstration by two years; increases the cap on the total number of participating beneficiaries from 10,000 to 15,000; and gives practices three years to generate savings against their spending targets.
- ✓ Repeals Medicare payment cap for therapy services. [includes a targeted medical review for services above a threshold of $3k before 2028 and increasing thereafter.]
- ❖ Within Medicare, recognizes Attending PAs as Attending Physicians to serve hospice patients.
- ⇩ Within Medicare, allows PAs, NPs, and clinical nurse specialists to supervise cardiac, intensive cardiac, and pulmonary rehabilitation programs.

"Primary Care Cliff"

- ✓ Extends funding for National Health Service Corps [$310 million for each of FY 2018 and 2019.]
- ✓ Extends funding for Teaching Health Center GME [$126.5 for each of FYs 2018 and 19].
- ✓ Extends grant funding for Community Health Centers to cover the cost of treating uninsured patients [$3.8 billion in FY2018 and $4 billion in FY 2019.]

Health Care for All / Public Health

- ✓ Extends CHIP Funding through fiscal year 2027.
- ✓ Extends Family-to-Family Health Information Centers [$6 million in each FY18 & 19]
- ✓ Extends Maternal, Infant, and Early Childhood Home Visiting Program through FY 2022
- ✓ Extends funding for outreach and assistance for low-income programs; state health insurance assistance program reporting requirements. [$13 million in each FY18 & 19]
- ✓ Extends Special Diabetes Program [$150 million for each of FYs 2018 and 19.]
- ✓ Includes $4.8 billion in Medicaid funding for Puerto Rico and $142.5 million in Medicaid funding for U.S. Virgin Islands. Both also have a two-year 100% disaster FMAP.
- ⇩ Cuts the ACA Prevention and Public Health Fund $1.35B over 10 years.

Rural Health

- ✓ Extends increased inpatient payment adjustments for low-volume hospitals through 2023.
- ✓ Extends Medicare-Dependent Hospital Program through October 1, 2022.
- ✓ Extends Home Health Rural Add-On through January 1, 2019.
- ✓ Calls for GAO Study/Report on Medicare-dependent, small rural hospital program to analyze payor mix, inpatient/outpatient utilization and financial status.

Other

- ❖ Repeals Independent Payment Advisory Board (IPAB.)