

January 20, 2017

### **On the Horizon ...**

\* On Tuesday, January 24, the House Ways and Means Oversight Committee will hold a hearing to examine the effectiveness of the Individual Mandate under the *Affordable Care Act* (ACA).

\* Also on January 24, the House Budget Committee will hold a hearing on "The Failures of Obamacare: Harmful Effects and Broken Promises."

\* In addition, the Senate Finance Committee will hold a January 24 hearing with Rep. Tom Price (R-Ga.), President-Elect Trump's pick for HHS Secretary and Rep. Mick Mulvaney, nominated to serve as Trump's OMB director, will appear before the Senate Budget Committee.

\* January 27 is the deadline for the Senate Committees on Finance and Health, Education, Labor, and Pensions and the House Committees on Energy and Commerce and Ways and Means to submit recommendations to their respective Budget Committees on ACA repeal.

## **U.S. CONGRESS**

### **1. Senate Committee's Nomination Hearing Focused on Ethics and Health Reform**

On January 18, the Senate Health, Education, Labor, and Pensions Committee held a nomination [hearing](#) on the U.S. Health and Human Secretary-designate Rep. Tom Price, MD (R-GA). Rep. Price is a former orthopedic surgeon, chair of the House Budget Committee, and author of the 2015 ACA repeal [legislation](#) which was vetoed by President Barack Obama. The partisan four-hour hearing had Democratic Senators questioning Dr. Price on financial [dealings](#), the impact of ACA repeal, and his positions on health policy [issues](#). Republican Senators highlighted their confidence in Rep. Price's experience and readiness for the position.

Sen. Al Franken (D-MN) focused on Rep. Price's opposition to legislation increasing the U.S. Food and Drug Administration's authority to regulate tobacco products. Sen. Pat Robert (R-KS) asked how he would manage the "four horses of the health care regulatory apocalypse" of the Patient Center Outcomes-based Research Initiative (PCORI), Center for Medicare and Medicaid Innovation (CMMI), U.S. Preventive Services Task Force (USPSTF) and the Independent Payment Advisory Board (IPAB). Sen. Bill Cassidy, MD (R-LA), highlighted Rep. Price's commitment to improving electronic health record interoperability and administrative burdens. Sen. Cassidy also noted the value of health savings accounts. Sen. Tim Scott (R-SC) asked if Rep. Price would be committed to reauthorize the Community Health Centers program, to improve access to telehealth services for rural patients, and address health disparities for African-American patients. Sen. Maggie Hassan (D-NH) asked Rep. Price if insurance companies should be mandated to cover check-up visits.

Rep. Price promised to work with Congress on health care reform "repeal and replace" plans, but did not specify how that would affect ACA provisions such as dependent coverage up to 26 years of age, women's preventive services, and substance misuse treatment coverage. Rep.

Price did not address a Congressional Budget Office [report](#) that repeal plans might increase the budget deficit or proposals that call for cutting Medicare and Medicaid funding. Rep. Price expressed his belief in patient choice. He spoke about decreasing regulatory burdens that interfere with the doctor-patient relationship. The Senate Finance Committee will hold its [hearing](#) on January 24 and members of that committee will mark up Rep. Price's nomination.

## **2. Trump FY18 Budget Expected to Propose Dramatic Changes in Priorities**

The Trump administration is reported to be looking to the Heritage Foundation and Republican Study Group budget proposals as blueprints for their fiscal year 2018 budget. A brief preliminary budget plan is expected to be released in early March, but the President's full budget request won't be submitted to the Congress until late April. According to [The Hill](#), the Trump budget will propose to reduce federal spending by \$10.5 trillion over 10 years.

## **CENTERING ON THE STATES**

### **1. MACPAC Makes Recommendations to Congress on CHIP**

On January 17, the Medicaid and CHIP Payment and Access Commission (MACPAC) released its [report](#) to Congress containing its recommendations and supporting analysis on the future of the Children's Health Insurance Program (CHIP) and children's coverage. The report includes nine recommendations and suggest extending federal funding for CHIP for five years. The other recommendations encourage states to test innovations, reduce budget uncertainty, create stability of health insurance coverage for low and moderate income children, and extend other child health initiatives that are set to expire.

### **2. Bills of Interest**

This week, 35 states and the District of Columbia are actively meeting. The Center for State Policy staff will be monitoring legislation throughout the session and will provide weekly updates on bills that may be of interest to members.

- **Immunizations** – Two states, [Indiana](#) and [Kentucky](#), have introduced legislation that mandates certain vaccinations, specifically meningitis, to be administered before a student may matriculate to a residential campus.
- **Medicaid Budget** – The 115<sup>th</sup> Congress is currently debating the repeal of the ACA, which would create a sizable budgetary impact on states. Washington state introduced [legislation](#) that would allow for an exemption from their four-year outlook requirements for the Medicaid budget until detailed budgetary and programmatic impacts are legislated by the federal government. This bill attempts to ensure state budget stability.
- **Scope of Practice** – A Virginia bill [SB 1327](#) creates a new designation called Doctor of Medical Science. This degree would be given to participants who have a Physician Assistant's master level training and a minimum of three years of clinical experience in primary care, emergency medicine, or general internal medicine. This is a new medical degree that has been created by the Lincoln Memorial University, in hopes of expanding access to primary care services in underserved regions.
- **Telehealth** – New York [SB 834](#) requires that an insurer reimburse a telehealth provider for covered services delivered via telehealth on the same basis and at the same rate as established for the same service when not delivered via telehealth.
- **Tobacco 21** – [Iowa](#), [Mississippi](#), [Nebraska](#), and [Washington](#) have introduced legislation to raise the minimum legal age for the sale of tobacco and vapor products to twenty-one. Currently, only California and Hawaii have increased the smoking age to twenty-one.

## **THE EXECUTIVE BRANCH**

### **1. AAFP Comments on a Proposed Payment Model to the PTAC**

On January 18, the AAFP sent a [letter](#) to the Physician-Focused Payment Model Technical Advisory Committee (PTAC) regarding Project Sonar, a proposed payment model submitted by the Illinois Gastroenterology Group and SonarMD, LLC in a December 21, 2016 letter to the PTAC. After first expressing support for moving a larger percentage of payments from traditional

fee-for-service (FFS) towards patient-centered alternative payment models (APMs), the AAFP expressed concern over the proposed model calling itself the “first specialty-based Intensive Medical Home”. The AAFP is concerned about the development of specialty “medical home” APMs that would simply replace fragmented care under fee-for-service with fragmented care under APMs. As detailed in the AAFP’s [Principles to Support Patient-Centered Alternative Payment Models](#), the AAFP only supports patient-centered advanced primary care models that promote comprehensive, longitudinal care across settings, and hold clinicians appropriately accountable for outcomes and costs. The letter offered PTAC further details on how to construct an advanced APM that is patient-centered and meets beneficiary needs in a longitudinal, continuous and comprehensive manner.

## 2. Regulatory Briefs

- On January 13, CMS released [data](#) showing:
  - 12 million people with Medicare have saved over \$26 billion on prescription drugs since 2010– an average of \$2,272 per beneficiary
  - Over 40 million Medicare beneficiaries utilized free preventive services in 2016
  - More than 10.3 million Medicare beneficiaries (including those enrolled in Medicare Advantage) took advantage of an Annual Wellness Visit in 2016.
- On January 17, CMS updated the [Open Payments](#) dataset.
- On January 17, CMS posted the second annual release of the [Medicare Part D Opioid Prescribing Mapping Tool](#).
- On January 17, CMS and ONC released a [blog](#) outlining a potential roadmap for the next administration on data use and a value-based health care system.
- On January 18, CMS announced over 359,000 clinicians are confirmed to participate in four of CMS’s Alternative Payment Models (APMs) in 2017. The Medicare Shared Savings Program (Shared Savings Program), Next Generation Accountable Care Organization (ACO) Model, Comprehensive End-Stage Renal Disease (ESRD) Care Model (CEC) and [Comprehensive Primary Care Plus \(CPC+\) Model](#) all apply the concept of paying for quality and effectiveness of care given to patients in different health care settings.
- On January 18, CMS [announced](#) \$66.1 million in funding to health departments in American Samoa, Puerto Rico, the U.S. Virgin Islands, and Florida to help combat the Zika virus.
- CMS will host the following free educational calls; [registration](#) is required:
  - Medicare Quality Programs: Transitioning from PQRS to MIPS Call, on Jan. 24, 2:00 pm ET
  - Understanding and Promoting the Value of Chronic Care Management Services Call, on Feb 21, 1:30 pm ET.

## **TAKE ACTION**

### **1. Read about ACA Profound Impact on Family Physicians in Alaska**

CNN Money produced an [article](#) on how changes to the ACA could affect AAFP Board member John Cullen and his patients in Valdez, Alaska.

### **2. Webinar on Health Care under the New Administration and the 115<sup>th</sup> Congress**

The AAFP is hosting a free [webinar](#) on the proposed changes in the health care landscape by the new Administration and 115<sup>th</sup> Congress. Join Conrad L. Flick, MD, FAAFP, managing partner for Family Medical Associates of Raleigh, and Shawn Martin, AAFP senior vice president for advocacy, practice advancement and policy, for a non-partisan discussion on how these proposed changes will affect family medicine and how primary care physicians can get involved to make a meaningful impact. Click [here](#) to register now and for this free webinar on January 25, at 2:00pm EST.