

March 3, 2017

On the Horizon ...

- * The House Energy and Commerce Committee is expected to consider a bill to repeal and replace funding-related portions of the *Affordable Care Act*.
- * On March 8, the Senate Labor-HHS-Education Appropriations Subcommittee will hold a hearing titled, "Saving Lives Through Medical Research."
- * On March 9, the House Labor-HHS-Education Appropriations Subcommittee will hear from Inspectors General on management challenges at the Departments of Labor, Health and Human Services, and Education and the Social Security Administration.

U.S. CONGRESS

1. AAFP President-elect Speaks at Senate Primary Care Briefing

On Wednesday, the National Coalition on Health Care, the AAFP, the American College of Physicians, the American Osteopathic Association and the National Association of Community Health Centers hosted the first forum of a three part series on Capitol Hill to increase awareness of the value of primary care. AAFP President-elect Mike Munger, MD [highlighted](#) the essential role of primary care in value-based health care. Attendees received a [fact sheet](#) with policy recommendations from NCHC, AAFP, ACP, AOA and NACHC on how to strengthen primary care payment models. The next briefing titled "Primary Care: High-Value Care for Underserved Communities" will be March 28.

2. Senate Committee Advances CMS Nominee in Partisan Vote

The Senate Finance Committee on Thursday approved the nomination of Seema Verma to be administrator of the Centers for Medicare and Medicaid Services in a party-line 13-12 vote. Every Democrat on the committee opposed the nomination, which could come up for a Senate floor vote as early as next week. Verma will oversee more than \$1 trillion in federal spending on Medicare, Medicaid, the Children's Health Insurance Program and the marketplaces created under the *Affordable Care Act* (ACA).

3. MedPAC Discusses Primary Care Support and MACRA Implementation

On Thursday, the Medicare Payment Advisory Commission ("MedPAC") held a public meeting in Washington. The session was devoted to two topics: encouraging more primary care and improving Medicare payment and reporting structures established by the *Medicare Access and CHIP Reauthorization Act* (MACRA). Staff presented recommendations under development to support primary care—namely, adding a per-beneficiary payment for primary-care physicians, financed by redistributing funds from physician services outside primary care. MedPAC staff estimate that a redistribution of an additional \$3,600 per primary-care clinician per year will result in a reduction of 2.8 percent to all other services.

MedPAC staff also asserted that MACRA's Merit-based Incentive Payment System (MIPS) and Advanced Alternative Payment Models (A-APMs) should be changed to achieve Congress's

goals of improving quality and lowering cost. The staff suggested that small practices should not be judged based on individual performance; rather, they should be judged based on larger pools of clinicians such as entire medical staff organizations, virtual groups, or entire geographic regions. The staff also suggested eliminating MIPS reporting, including quality measures, and the “advancing care information” and “improvement activities” performance categories, due to the undue administrative burden they place on practitioners as presently constructed.

4. House Judiciary Committee Favorably Reports Medical Liability Reform Legislation

The [House Judiciary Committee](#) on Tuesday advanced a bill, [HR 1215](#), introduced by [Rep. Steve King \(R-IA\)](#) to establish a national standard on health care liability claims such as medical malpractice or negligence lawsuits when the health care costs are covered by a federal program. The bill proposes a \$250,000 cap on claims for non-economic damages, a three-year statute of limitations on plaintiffs seeking to sue medical practitioners for damages, and would prevent health care providers who prescribe an approved medical product from being liable as part of a class action against a manufacturer or seller of the product. The bill was reported out by the committee 18-17, with all of the Democrats joining [Rep. Ted Poe \(R-TX\)](#) in opposition.

5. House Committee Explores Coverage and Wellness Proposals

On March 1, the House Education and the Workforce Committee held a [hearing](#) to discuss a bill to allow for association health plans (AHPs), the [Small Business Health Fairness Act \(HR 1101\)](#); the [Preserving Employee Wellness Programs Act \(HR 1313\)](#) to protect wellness plans from *Americans with Disabilities Act* or *Genetic Information Nondiscrimination Act* challenges; and the [Self-Insurance Protection Act \(HR 1304\)](#) to exclude medical stop-loss insurance from the *Employee Retirement Income Security Act of 1974* (ERISA) definition of health insurance to protect the ability of employers to self-insure. Although the AAFP does not have specific policy on AHPs, the AAFP signed an April 2015 [letter](#) to Congress opposing “any policy that would allow employers to inquire about employees’ private genetic information or medical information unrelated to their ability to do their jobs, and penalize employees who choose to keep that information private.” In addition, AAFP [policy](#) on managed care reform calls for a requirement that self-funded ERISA plans be held responsible for medical outcomes, as are other plans, within any given state.

6. McCarran-Ferguson Act Bill Clears House Judiciary Committee

The House Judiciary Committee advanced legislation on Tuesday that would repeal a 70-year old law that exempts health insurance businesses from federal antitrust law. The bill, [HR 372](#), would restore competition in the health care market by allowing Congress to apply federal interstate trade regulations to the health insurance industry. The legislation was approved by the committee by voice vote. The legislation included a clarifying amendment that would maintain an exemption to antitrust laws for certain collective insurance industry practices, such as historical data sharing.

7. House Health Subcommittee Examines FDA User Fees and Drug Pricing Ideas

The House Energy and Commerce Health Subcommittee held a [hearing](#) on March 2 titled, “*Examining FDA’s Generic Drug and Biosimilar User Fee Programs.*” The hearing also examined the *Lower Drug Costs Through Competition Act* (HR 749.). During the hearing, Allen Coukell of the Pew Charitable Trusts testified that drug spending reached \$300 billion in 2015. He recommended Congress increase access to generic drugs by restricting anti-competitive activities. Congress is expected to take action this summer before FDA user fee agreements expire on September 30, 2017.

CENTERING ON THE STATES

1. Governors in DC for the National Governors Association (NGA) Meeting

This past weekend, governors from across the country gathered for the NGA Winter Meeting in Washington, DC. Healthcare was a major focus during the meeting, with governors influencing its future. During a closed door meeting on health care reform governors heard an [analysis](#) on

replacement plans for the ACA. The analysis examined the impact on coverage and cost. Of particular note, the analysis projected that in states that did not expand Medicaid, coverage would increase by as much as 50 percent; while a state that did expand could experience a 30 percent reduction.

2. Bills of Interest

- **Medicaid expansion** – Last week, the Kansas House of Representatives passed a [bill](#) that would expand Medicaid by a vote of 83-40. A separate Medicaid expansion bill was killed in committee, but representatives added the measure via amendment on the House floor. The legislation will now go to the Senate, and if it were to pass Governor Brownback has stated that he will veto it. So far, measures to expand Medicaid have been introduced in 12 of the 19 non-expansion states.
- **Medical liability** – The Iowa Judiciary committee has amended and passed [legislation](#) relating to medical liability claims, including provisions regarding expert witnesses and defenses. The original [legislation](#) also included economic damage awards and contingency fees. This is an Iowa-AFP priority bill.
- **Prescription Drug Abuse** – New Jersey Governor Chris Christie has signed into law [legislation](#) regarding health insurance coverage for treatment of substance use disorders. The bill also limits initial opioid prescriptions to a five-day supply. New York, Maine and Massachusetts have enacted laws limiting initial prescription to a seven-day supply.
- **Scope of Practice** – Nurse Practitioners – [Pennsylvania's](#) SB 25 would remove the written collaborative agreements now mandated between a physician and an advanced practice registered nurse/nurse practitioner. This is a Pennsylvania-AFP priority bill and continues to be introduced in the 28 states that do not permit independent practice. The Center for State Policy has a [backgrounder](#) to help in advocacy efforts.

EXECUTIVE BRANCH

1. Regulatory Briefs:

- On February 17, CMMI [announced](#) the second round of payer solicitations for CPC+.
- On February 17 CMS [awarded](#) \$20 million to 11 organizations for the first year of a five-year program to provide on-the-ground training and education about the Quality Payment Program for clinicians in individual or small group practices. CMS intends to invest up to an additional \$80 million over the remaining four years.
- On February 21, the AAFP nominated Kisha Davis, MD, MPH; Margaret Kirkegaard, MD, MPH, FAAFP, and Wanda D. Filer, MD, MBA, FAAFP to the Medicaid and CHIP Payment and Access Commission.
- On February 27 CMS [released](#) a request for information on a potential pediatric alternative payment model.
- CMS will host the following free educational calls; [registration](#) is required:
 - SNF VBP: Understanding Your Facility's Confidential Feedback Report Call, March 15, 1:30 pm ET
 - National Partnership to Improve Dementia Care and QAPI Call, March 21, 1:30 pm ET
 - IMPACT Act: Standardized Patient Assessment Data Activities Call, March 29, 1:30 pm ET
 - Global Surgery: Required Data Reporting for Post-Operative Care Call, April 25, 1:30pm ET

TAKE ACTION

1. FamMedPAC Helps Promote AAFP's Issues with Important Legislators

Please consider helping FamMedPAC work for you by making your 2017 contribution [online](#). FamMedPAC participated in several events this week in Washington, DC including:

- [Democratic Senatorial Campaign Committee](#), the campaign group for Senate Democrats. GR Staff spoke with several Senators, including [Sen. Bob Casey \(PA\)](#), [Sen. Debbie Stabenow \(MI\)](#), [Sen. Joe Manchin \(WV\)](#), and DSCC Chair, [Sen. Chris Van Hollen \(MD\)](#).
- [Rep. Ami Bera, MD \(D-CA\)](#), a member of the House Primary Care Caucus and [Rep. Raul Ruiz, MD \(D-CA\)](#), a member of the House Energy and Commerce Committee, attended a lunch hosted by the physician PAC community.
- [Rep. Richard Neal \(D-MA\)](#), the Ranking Democrat on House Ways and Means.
- [Rep. Pat Tiberi \(R-OH\)](#), the Chairman of the Ways and Means Health Subcommittee.
- [Rep. Frank Pallone \(D-NJ\)](#), the Ranking Democrat on House Energy and Commerce.

2. Speak up for Family Medicine at the Family Medicine Advocacy Summit in DC

The Family Medicine Congressional Conference is now the [Family Medicine Advocacy Summit](#). The FMA Summit will be May 22-23 at the Washington Court [Hotel](#) on Capitol Hill in Washington, DC. The first day will offer education regarding family medicine's legislative priorities and training on how to lobby on Capitol Hill. On Day 2, attendees will put those new skills to work by visiting congressional leaders and talking with them about the challenges we face. The early bird [registration](#) deadline is April 7.