



January 31, 2006

CRD ASSOCIATES HEALTH POLICY UPDATE

This month marks a change in the format of our report to the Health Policy Committee and the general membership on the latest events in the nation's capital. This new format will include a review of the month's activities; a preview of emerging issues; and a status report on legislative and regulatory topics of particular interest to SGIM. Our goal is to provide you with salient information and analysis in a format that best accommodates your busy schedule. Please send any comments or suggestions to Dom Ruscio (druscio@dc-crd.com) or Lyle Dennis (ldennis@dc-crd.com).

January 2006

Congress – The House of Representatives was out of session for virtually the entire month of January. The Senate returned on January 18, but has been dealing almost exclusively with the nomination of Judge Samuel Alito to be an Associate Justice of the U. S. Supreme Court.

Title VII-Health Professions Training – We are in discussions with other stakeholders in an effort to craft a reauthorization proposal that has a chance of passage in a recalcitrant Congress. We have also reviewed and recommended opposition to a proposal by the Association of American Medical Colleges that would eliminate the Primary Care Loans program within the HPSL program.

Health Services Research – We have crafted and circulated a letter supporting the National Center for Research Resources (NIH) clinical and translational science awards, which will replace the current GCRCs. We met with the Center's director to convey SGIM's support and offer to help overcome opposition from other quarters. We have also sent the HPC copies of notices from the *Federal Register* regarding Special Emphasis in AHRQ funding and a meeting of the NIH Translational Research Working Group.

Veterans Health Funding – In anticipation of another tough budget year, we have already begun working with the Friends of the VA (FOVA) to support higher levels of funding for VA health research and services, including supporting a statement from FOVA.

Pay-for-Performance – We have worked with HPC members with regard to the formation and SGIM’s involvement in the AMA-convened Physician Consortium for Practice Improvement (PCPI). We have assisted in crafting an SGIM position paper on how best to structure that effort.

Capitol Hill Day – We have worked with the HPC and SGIM leadership to establish a date for Capitol Hill Day, identify Members of Congress to be targeted for meetings, and plan the content of the day.

Health Policy Committee – Working with the Chair, we established the agenda for the monthly HPC conference call, actively participated in the call, and wrote the minutes of the call.

Annual Meeting – We have begun planning for our role in the Annual Meeting, which will apparently include participation in an advocacy pre-course, the Regional Presidents meeting, a workshop on influencing the federal government, and possibly the Board meeting as well.

February 2006

Congress – Following the President’s State of the Union address on January 31, Congress is expected to be in session more often in February. In the House, the first order of business on February 1 is a final vote on the \$40 billion Deficit Reduction Act, legislation that blocks the planned 4.4% reduction in Medicare physician reimbursement. On February 6, President Bush will transmit his fiscal year 2007 budget request to Congress, officially kicking off what is certain to be a contentious battle over national funding priorities. Preliminary indications are that the president will continue to push for cuts in non-security discretionary spending, e.g. social programs, coupled with increases in defense spending. But a compressed election-year legislative calendar (the House is scheduled to be in session 72 days this year; the Senate for 78 days) is likely to squeeze out any chances for major legislative changes.

Title VII – We will continue working with the Title VII Cluster, the HPC and other advocates to develop a practical reauthorization proposal that serves to enhance the attractiveness of general internal medicine as a career option.

Health Services Research – We will continue to work with both AHRQ and NIH to promote policies that enhance federal funding of health services research. We expect to send a second letter supporting the CTSA proposal, with a greater number of co-signers. We will also be taking part in a meeting of the Friends of AHRQ.

Veterans Health Funding – We will be participating in a meeting of the Friends of the VA to collectively build our lobbying strategy to obtain more funding for veterans health care and research.

National Institutes of Health – Anticipating a push to level fund the NIH, we are leading efforts of the Ad Hoc Group for Medical Research, calling for a five percent boost in research funding.

Pay- for-Performance – This will continue to be a hot-button issue in February and throughout the year. We will continue to participate in meetings of the major coalitions that are interested in the issue’s development. Assuming passage of the reconciliation bill on February 1, legislative action is not expected on pay-for-performance until 2007.

Capitol Hill Day – We expect to finalize arrangements for Capitol Hill Day including settling on a date, preparing materials for SGIM members, and beginning the process of setting appointments for participants. Work will also commence on “off the Hill” contacts back in lawmakers’ home districts.

Health Policy Committee – Again this month, we will work with the HPC Chair to set an agenda for the monthly conference call, alert members to the call, participate in it, and produce minutes, as well as take any actions derived from the call.

Annual Meeting – We expect to begin work on the presentations we will be making in various sessions at the Annual Meeting in Los Angeles.

Status of Key Legislative Issues

President’s Budget – Expected to be sent to Capitol Hill on February 6.

House Labor-HHS and Veterans Appropriations Bills – Hearings expected to begin in mid- to late-February.

Senate Labor-HHS and Veterans Appropriations Bills – Hearings expected to begin in late February.

AHRO Reauthorization Bill – Senate HELP Committee staff expects to begin working on a bill in early spring.

Title VII Reauthorization Bill – Senate HELP Committee staff expects to begin working on a bill in mid- to late spring.

Pay For Performance – Dropped from reconciliation bill; legislative prospects uncertain. CMS demonstration project has begun in scaled-back format.

Genetic Information Nondiscrimination Act (GINA) – This bill has passed the Senate; awaiting action in the House, where the leadership has been opposed to its consideration.