



**Cavarocchi-Ruscio-Dennis Associates**

# **Health Policy Report**

**July 2, 2007**

**The House and Senate continue to move forward on spending legislation for programs of interest to SGIM members. Get the latest information below and key an eye out for email alerts in the coming weeks.**

## **Overview**

The House and Senate have completed work on the FY2008 Budget Resolution that sets overall spending targets for health, education and other federal programs. With that blueprint in place, this month the House and Senate Appropriations Committees will develop specific funding recommendations for the programs that are of critical importance to SGIM and its members.

The House appropriations subcommittee that has jurisdiction over most health-related programs is scheduled to “mark-up” the appropriations bill on June 7; its Senate counterpart will do the same sometime in mid-June. Time is of the essence and, as noted above, SGIM members will be called upon to reach out to their representatives in the House to support higher funding levels for AHRQ, NIH, Title VII and health programs that assist the underserved and reduce disparities. It is vital that you take action quickly when you hear from SGIM on these matters. Your email or phone call, when combined with others from SGIM and other organizations, can make an important difference.

Since the President and Congress have agreed on continued funding for the Iraq war—at least until September—lawmakers will spend the next several weeks on advancing the 12 appropriations bills that keep the government running, including the Labor-HHS-Education bill that funds Title VII, NIH and

AHRQ. The farther along they get, the less chance the Iraq war debate will impinge on funding for domestic programs. We continue to monitor this issue closely.

This report outlines the status of Governing Council-approved priority issues as we continue with some of the most substantive work of the First Session of the 110<sup>th</sup> Congress. It is in bulleted and brief paragraph format for ease of review. If you require additional information on any of the issues or activities described—or would like to get more involved in advocacy—the last section of this report contains the contact information for the members of the HPC Executive Committee and staff contacts. Please don't hesitate to ask...and to volunteer.

### **Education Subcommittee Issues**

SGIM members have been playing an active role in convincing appropriators to increase funding for Title VII health professions training programs. Both the House and Senate Labor-HHS Appropriations subcommittees approved their bills in June. The full Senate Appropriations committee approved its bill, and the full House Appropriations committee will vote on its bill after the July 4th recess.

Calls and emails from SGIM members and others convinced 54 SenatorsHouse to co-sign a Dear Colleague letter from Senators Jack Reed (D-RI) and Pat Roberts (R-KS) urging the Senate Appropriations Committee to restore Title VII health professions programs to their 2005 level of \$300 million.

Both the House and Senate flat funded the Primary Care Medicine and Dentistry program at \$46.6 million. The Senate also flat funded the Centers of Excellence, Health Careers Opportunity Program and Faculty Loan Repayment program at \$11.8 million, \$3.9 million, and \$1.2 million respectively.

### **Research Subcommittee Issues**

- **AHRQ/Comparative Effectiveness Research Trust Fund:** The House Ways and Means Subcommittee on Health held a hearing on comparative effectiveness research (CER) for which SGIM submitted testimony. We are working aggressively to assure that this potentially billion dollar research program is enacted this year. In the meantime, both the House and Senate have crafted appropriations bills that increase AHRQ's funding to \$330 million – the first increase in four years. The combination of the new CER program and the increase in AHRQ funding could represent real progress in the availability of funds for health services research. Any increases will benefit SGIM members

and it is important that you ask your representative to support additional funding for AHRQ.

- **NIH CTSA:** Both the House (1.9%) and the Senate (2.8%) committees have adopted appropriations bills with modest increases in NIH funding. However, among the programs that will benefit from these increases is Clinical and Translational Science Awards in the National Center for Research Resources at NIH, which is regarded as a high priority item by the NIH leadership. Again, supporting this increased funding is a high priority item. The differences between House and Senate funding levels should be known by September.
- **VA Research:** There have been some new favorable developments with regard to VA medical and prosthetics research during the month of June. The House has passed legislation increasing this funding to \$480 million, an increase of more than \$66 million over the current year. The Senate committee has recommended \$500 million for next year, and \$86+ million increase. The Senate may take the bill up in July, with conference action between the two houses to follow as soon as the Senate passes the bill.
- **Other Priorities:** Among the other priority programs we are monitoring, the National Center for Minority Health and Health Disparities at NIH is up \$8 million in the House bill and \$9 million in the Senate bill. Rural Health Research receives an \$800,000 increase (9 percent) in both the House and Senate bills. Public Health Research at CDC is level funded in both bills.

### **Clinical Practice Subcommittee Issues**

- **P4P and SGR:** The Physician Quality Reporting Initiative (PQRI) launched July 1 as planned and planning is underway for the 2008 program. In the House, a physician pay fix is being attached to the State Children's Health Insurance Program (SCHIP) reauthorization; members and staff are still working on the details of the pay fix. However, Chairman Max Baucus (D-MT) has said that the Finance Committee will not attach a physician pay fix to the SCHIP reauthorization, and the pay fix will be considered separately at the end of the year.
- **Health Information Technology:** The Senate Health Education, Labor and Pensions Committee approved legislation that would accelerate the adoption of health information technology. The bill would provide \$163 million in FY 2008 and again in FY 2009 for grants and loans to

health care providers and states. Similar legislation has not been introduced in the House this Congress.

- **Appropriations Issues:** Both the House and Senate Labor-HHS Appropriations subcommittees marked up their bills. The House provided \$2.19 billion for Community Health Centers, while the Senate recommended an increase to \$2.23 billion. For the National Health Service Corps, the House provided \$131.5 million and the Senate provided \$125.6 million; the President had recommended the program be funded at \$116 million. Both the House and the Senate increased funding for Rural Health Research to \$9.5 million from \$8.7 million.
- **Medicaid Citizenship Documentation Requirement:** Representative James Moran (D-VA) is seeking co-signers on a Dear Colleague letter asking Energy and Commerce Committee Chairman John Dingell (D-MI) and Ranking Member Joe Barton (R-TX) to repeal a 2005 law requiring Medicaid applicants to show proof of citizenship. The letter urges them to eliminate the requirement in the legislation reauthorizing the State Children's Health Insurance Program (SCHIP). This is the first serious legislative attempt to repeal this requirement.

### **Health Policy Executive Committee Contact Information**

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**To volunteer for the HPC, please contact anyone listed above.**