



Cavarocchi-Ruscio-Dennis Associates

Health Policy Report

October 2, 2007

Congress is moving toward major funding and policy decisions related to:

**Title VII Diversity and Training Programs
Comparative Effectiveness Research
Medicare Reimbursement Rates for 2008**

Get the details below

Overview

After taking its traditional month-long break from early August through early September, Congress has returned to Washington and begun to address some of the major issues of concern to SGIM. The Society continues to work tirelessly to obtain responsible levels of funding for training, research and disparities programs that impact on our members and patients. It remains engaged in the effort to prevent a scheduled 15 percent reduction in Medicare physician payments over the next two years. And, it continues to work with both the House and Senate for enactment of a major comparative effective research program.

As you know from the last edition of the *Health Policy Report*, Congress passed major health legislation to extend and expand the State Children's Health Insurance Program (SCHIP) in early August. The Senate version addressed only SCHIP; the House bill included provisions related to Medicare reimbursement for physicians, the establishment of a major new initiative in comparative effectiveness research (CER), language addressing health disparities in Medicare, and more.

In negotiations between the House and Senate, the decision was made to have the bill mirror the Senate version, dropping the provisions most important to SGIM. However, leaders from both houses pledged to produce a separate bill to address these important issues. That process is actively taking place right now and SGIM will be pushing to have the Senate bill include the CER and Medicare reimbursement provisions that were in the original House bill.

In addition, the Senate is currently scheduled to consider its version of the FY08 appropriations bill that funds programs such as Title VII, the National Institutes of Health, the Agency for Healthcare Research and Quality, and others during the week of October 15. The House has already passed its version of the bill and a fairly speedy conference agreement is expected. The White House has indicated that the President intends to veto the bill, setting up further discussion – or confrontation – over this issue.

During September, SGIM contacted you twice with requests for you to contact your elected representatives to support additional funding for diversity programs and passage of comparative effectiveness research. We are delighted to report that the response from the membership on these two issues was the best we have ever had. If you have responded to previous CapWiz alerts, thank you. If you have not, please consider doing so. It is a quick and simple process, utilizing well-designed software. It takes just seconds to do. We look forward to your participation!

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 110th 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

Staff of key lawmakers recently had an opportunity to learn first-hand how valuable the Title VII Primary Care Medicine and Dentistry programs have been to communities across the nation, when SGIM member Angela Jackson, M.D. was lead speaker at a luncheon briefing for congressional aides, entitled *Who Will Care for You? How the Title VII and VIII Programs Improve the Supply, Distribution and Diversity of the Health Professions Workforce*. With Congress about to decide how much to appropriate for primary care training and diversity programs, congressional staff came away with a far better

understanding of Title VII programs and challenges confronting primary care physicians.

Dr. Jackson, Director of the Primary Care Residency Training Program at Boston University, told the audience of House and Senate health policy aides that over 80 percent of her primary care residency program graduates pursue primary care careers, and over half are working in underserved areas.

The briefing was sponsored by the Health Professions and Nursing Education Coalition (HPNEC), an alliance of more than 70 organizations representing schools, programs and students.

In the meantime, SGIM continues to focus its advocacy efforts on funding for two key diversity programs: the Centers of Excellence and the Health Careers Opportunity Program (HCOP). Earlier this year, the House voted to increase the Centers program by \$16.5 million over current funding, to \$28.4 million, while increasing HCOP by \$24.5 million, to \$28.4 million. The Senate bill would simply extend both programs at their current funding levels of \$11.8 million and \$3.9 million, respectively.

Later this month, the House and Senate will meet to resolve their differences. In anticipation of that, SGIM issued a CapWiz alert, asking its members to contact their senators and urge them to concede to the higher amounts for diversity programs contained in the House bill. We are pleased to report that, thus far, SGIM members have sent 175 letters to senators-the highest response to date on a CapWiz alert.

Research Subcommittee Issues

- **AHRQ/Comparative Effectiveness Research Trust Fund:** As discussed above, the House has passed a CER program and included \$300 million in funding for three years. The Senate has begun work on a similar bill now. SGIM is focused on getting this legislation enacted at the earliest possible date. 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. Within this \$330 million is another \$30 million for CER in appropriated funds. We believe that this level of funding, which was also the President's requested level, is the most likely level for the next fiscal year.
- **NIH/CTSA:** The House of Representatives (1.9%) and the Senate Appropriations Committee (2.8%) 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. SGIM is working with the House and Senate committees to obtain the highest level of NIH funding and to assure that there is no restrictive language with regard to the CTSA implementation.

- **VA Research:** There have been significant developments with regard to VA medical and prosthetics research during the month of September. The Senate has passed legislation to appropriate \$500 million for next year, an \$86 million increase over the current year. The House had earlier passed its counterpart bill with funding for this program set at \$480 million. The House-Senate conference is not yet scheduled and we will, of course, be supporting the higher Senate number. However, barring a complete collapse of the appropriations process, increases in VA research funding are looking very solid.
- **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 received an \$800,000 increase (9 percent) in both the House and Senate bills. Public Health Research at CDC is level funded in both bills. Again, the House has passed its appropriations bill; the Senate bill scheduled for a vote during the week of October 15.

Clinical Practice Subcommittee Issues

- **P4P and SGR:** The Senate is in the process of crafting legislation to address the 10 percent cut in the SGR that will take effect in January. We will have more information on how the Senate plans to address this issue. Please be prepared to contact your members when the House and Senate negotiate on this issue.
- **The RUC:** At the September RUC meeting, the primary care seat proposal was defeated. The vote was 13-12 in favor of addition, but a 2/3 vote was required to amend the structures and functions document. SGIM will be working closely with ACP to determine how to move forward. It should also be noted that the House Children's Health and Medicare Protection (CHAMP) Act established an expert panel to identify physicians' services for which the relative value is potentially misvalued, but this piece was omitted along with the other Medicare provisions in conference. When the Senate drafts its SGR fix, a similar provision or other provisions regarding the RUC may be included.

- **Medicaid Citizenship Documentation Requirement:** The CHAMP Act provision that amends the requirements for documenting citizenship and identity were not included in the final SCHIP package. There has been no new activity to alter the documentation requirement.
- **Limited English Proficiency:** The CHAMP Act included a section that requires CMS to conduct a demonstration program of the effect of Medicare reimbursement for culturally and linguistically appropriate services. This issue may become part of the Medicare package that the Senate is working on this month.
- **Appropriations Issues:** There has been no new activity in this area. The full Senate still has not considered its Labor-HHS appropriations bill, but will do so in the middle of this month. 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.

Health Policy Executive Committee Contact Information

Laura Sessums, HPC Chair	laura.sessums@us.army.mil
Lisa Rubenstein, Council Liaison	lisar@rand.org
Preston Reynolds, Chair, Education Sub.	pprestonreynolds@comcast.net
Harry Selker, Chair, Research Sub.	hselker@tufts-nemc.org
John Goodson, Chair, Clinical Practice Sub.	jgoodson1@partners.org
Patty Harris, Chair, Member Devel. Sub.	patricia.f.harris@medstar.net
Mark Liebow, Chair, Communication Sub.	mliebow@mayo.edu
Leslie Jansen, SGIM Staff	jansenl@sgim.org
Lyle Dennis, CRD Associates	ldennis@dc-crd.com
Dom Ruscio, CRD Associates	druscio@dc-crd.com
Erika Miller, CRD Associates	emiller@dc-crd.com

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