



Cavarocchi-Ruscio-Dennis Associates

Health Policy Report

January 3, 2007

REMINDER:

Capitol Hill Day is February 14.

Off the Hill Week is February 19-23.

Make your voice heard!

To participate, contact Francine Jetton at

jettonf@sgim.org.

Overview

The House of Representatives and the Senate adjourned the 109th Congress on December 8, 2006, putting an end to one of the least productive sessions in history. Meeting less than the “Do-Nothing Congress” of 1948, the public “fired” the Republican majority in November, replacing it with Democratic margins of 233-202 in the House and 51-49 in the Senate.

Later in December, Democratic leaders announced that to avert a logjam of appropriations work in 2007, all unfinished appropriations bills—including appropriations for Title VII, AHRQ and NIH—would be placed under a full-year continuing resolution, essentially freezing discretionary programs at the FY06 level. However, SGIM is supporting a broad-based effort to shift additional funding into health programs; we hope to report next month on the success of that effort.

This report outlines the status of priority issues as we begin 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 here – or if you would like to work on any of the issues described here – the

final section contains the contact information for the members of the HPC Executive Committee and staff contacts.

Education Subcommittee Issues

- **Training in Primary Care Medicine and Dentistry:** Under the terms of the continuing resolution, this program would be maintained at the \$40.8 million level throughout FY07. The only federal program encouraging primary care clinicians to practice in medically underserved areas, for FY08, SGIM will focus its efforts on (1) promoting reauthorization legislation that lays the foundation for more robust and sustained support, and (2) securing more adequate appropriations for FY08. An integral focus of SGIM's efforts will be on strengthening activities designed to increase diversity in the health professions workforce.
- **Faculty loan repayment/Minority Faculty Fellowship:** SGIM views this program as a proven approach for attracting individuals from disadvantaged backgrounds to serve as faculty. Our efforts this year will focus on continued authorization and adequate appropriations in FY08.
- **Centers of excellence:** SGIM will advocate for continued funding for this program, which supports designated health professions schools enrolling non-majority individuals.

Research Subcommittee Issues

- **AHRQ:** This agency will continue to be funded in FY07 at \$318.7 million. In addition to seeking increased funding in 2007, Congress may consider a bill to reauthorize the agency's activities. SGIM expects to work with the relevant authorizing committees; SGIM members are strongly urged to forward their input to HPC.
- **NIH CTSA:** NIH is moving forward aggressively with the creation of CTSA's, designed to replace the old GCRCs. Funding levels for FY07 will be determined by the NIH. Higher funding levels and more awards will be sought for FY08.
- **VA Research:** VA research funding is expected to remain at \$399 million in FY07. We continue to work through the Friends of the VA in the event that Congress is willing to increase program operating levels under a full-year continuing resolution.

- **Other Priorities:** At this time, we expect that the additional priority programs of this subcommittee (National Center for Minority Health and Health Disparities, the Office of Research on Women's Health, Rural Health Research, and Public Health Research at the CDC) will all be level funded in FY2007. SGIM supports additional funding for each of these programs.

Clinical Practice Subcommittee Issues

- **Reimbursement and the RUC:** CMS accepted the RUC's recommendations and issued a final rule this fall that provides a 5 percent update to the E/M codes.
- **P4P and SGR:** Before Congress recessed for the holidays, they passed legislation that eliminated the almost 5 percent cut to the Sustainable Growth Rate formula that was scheduled to occur January 1, 2007. For 2007, Congress froze physician payments and created a quality reporting. This program, beginning July 1, 2007, would provide a 1.5 percent bonus payment for reporting physicians who meet certain criteria.
- **National Health Service Corps:** This program will continue to be funded at \$125.4 million in FY2007. SGIM continues to support additional funding for this program.
- **Community Health Centers:** At this time, we anticipate that this program will be level funded in FY2007 at \$1.78 billion. SGIM will continue to advocate for increased funding for this program in FY2008.
- **Rural Health Programs:** We anticipate that these programs, including rural outreach grants and rural health research, will be level funded at \$38.8 million and \$8.7 million respectively, under a year long continuing resolution.
- **Health Information Technology:** The 109th Congress adjourned without passing health information technology legislation. Legislation will most likely be reintroduced in the 110th Congress. SGIM members are strongly urged to forward their input on this issue to the HPC.

Health Policy Executive Committee Contact Information

Laura Sessums, HPC Chair	laura.sessums@us.army.mil
Tom McGinn, HPC Co-Chair	thomas.mcginn@mssm.edu
Wally Smith, Council Liaison	wsmith@hsc.vcu.edu
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
Francine Jetton, SGIM Staff	jettonf@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.