



**Cavarocchi-Ruscio-Dennis Associates**

# **Health Policy Report**

**October 31, 2007**

**November may be a critical month for:**

**Title VII Diversity and Training Programs  
NIH Research Funding  
AHRQ Funding**

**Get the details below**

## **Overview**

The legislative gears turned slowly in October, but key committees have begun to address some of the major issues of concern to SGIM. The Society continues to work tirelessly to secure responsible levels of funding for training, research and disparities programs that affect its members and patients. It remains fully 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 and a significant boost for training programs that foster diversity.

As noted in recent editions of this report, Congress in early August passed major health legislation to extend and expand the State Children's Health Insurance Program (SCHIP). 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 legislation remains in active development in the Senate right now and SGIM has been working individually and collectively with our natural allies to have the Senate bill include the CER and Medicare reimbursement provisions that were in the original House bill.

In addition, since our last report, the Senate has passed 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. The House passed its version of the bill in July and the House-Senate conference is currently meeting, with a Conference Report expected to be filed and voted on the week of November 5.

The current plan calls for combining the health and education appropriations measure with the spending bills for Defense and Veterans Affairs, challenging the President to veto the package—as he said he would. Assuming he follows through on his promise, the challenge will come on the veto override vote, which is expected to be very close in the House. At that time, SGIM will be coming to you to contact your Senators and Representatives and urge them to vote “yes” on the override. Your call or email may seem insignificant, but when combined with the efforts of many other like-minded organizations, it contribute to a much larger push to re-order national priorities.

Along these lines, on October 18, SGIM joined with over 850 public health, education, training and disability organizations and labor unions, calling on Congress to pass the health and education appropriations bill. A second letter will be sent when Congress votes to send the measure to President Bush.

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**

For the moment, the Subcommittee's focus remains on preserving the Training in Primary Care Medicine and Dentistry (TPCMD) program at the \$48.8 million level, and convincing conferees to adopt significant increases

for two key diversity programs: Centers of Excellence and the Health Careers Opportunity Program (HCOP). Preliminary reports are that SGIM has succeeded. Although the results will not become public for a few days, we expect that the TPCMD program will be continued, and that House-Senate conferees will vote to provide \$20.2 million for Centers of Excellence (an \$8.3 million increase) and \$16.2 million for HCOP (a \$12.3 million increase).

Also on the training front, the Congress is expected to adopt language directing the National Institutes of Health to set aside one percent of funds available for National Research Service Awards to support research in primary care medicine. Lawmakers recently became aware that the set-aside language was overlooked when Congress last year passed the NIH reauthorization bill. The set-aside funds are to be transferred to the Health Resources and Services Administration.

Assuming the President vetoes the health appropriations bill, the Education Subcommittee plans to issue another CapWiz alert, calling on SGIM members to contact their lawmakers and urge them to preserve Title VII funding.

### **Research Subcommittee Issues**

- **AHRQ/Comparative Effectiveness Research Trust Fund:** 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 but nothing has been introduced as yet. 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 unless the entire appropriations process falls apart and Congress resorts to Continuing Resolution to fund programs at previous years levels.
- **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. This funding is including in the appropriations bill discussed in the Overview section, above.

- **VA Research:** As we reported last month there have been significant developments with regard to VA medical and prosthetics research. 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. This bill will be part of the package of appropriations bills discussed in the Overview, above.
- **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, this legislation is currently the subject of a House-Senate conference.

### **Clinical Practice Subcommittee Issues**

- **P4P and SGR:** The Senate putting together its package to address the cut in Medicare physician payments. Because the House addressed this in the CHAMP Act this summer, negotiations between the House and the Senate will begin as soon as the Senate completes and passes its package. Please be prepared to contact your members when the House and Senate negotiate on this issue.
- **The RUC:** Shortly after the defeat of the primary care seat at the September RUC meeting, ACP and AAFP submitted legislative language to the Senate Finance Committee. The proposed language would require HHS to examine the method that CMS uses to establish, review, adjust relative values. Within a year, HHS would have to report back on how to improve representation of primary care in this process. We are working closely with ACP in support of this legislative language.
- **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. This issue will be revisited once the Senate completes its Medicare package.

- **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.
- **Health Information Technology:** This month Representative Anna Eshoo (D-CA) introduced the Promoting Health Information Technology Act (H.R. 3800). This legislation would provide new leadership, funding and organization at the national level to promote health information technology. It was referred to the House Energy and Commerce Committee, but has not yet been considered. Similar legislation had been introduced in the Senate earlier in the year.
- **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	<a href="mailto:laura.sessums@us.army.mil">laura.sessums@us.army.mil</a>
Lisa Rubenstein, Council Liaison	<a href="mailto:lisar@rand.org">lisar@rand.org</a>
Preston Reynolds, Chair, Education Sub.	<a href="mailto:pprestonreynolds@comcast.net">pprestonreynolds@comcast.net</a>
Harry Selker, Chair, Research Sub.	<a href="mailto:hselker@tufts-nemc.org">hselker@tufts-nemc.org</a>
John Goodson, Chair, Clinical Practice Sub.	<a href="mailto:jgoodson1@partners.org">jgoodson1@partners.org</a>
Patty Harris, Chair, Member Devel. Sub.	<a href="mailto:patricia.f.harris@medstar.net">patricia.f.harris@medstar.net</a>
Mark Liebow, Chair, Communication Sub.	<a href="mailto:mliebow@mayo.edu">mliebow@mayo.edu</a>
Leslie Jansen, SGIM Staff	<a href="mailto:jansenl@sgim.org">jansenl@sgim.org</a>
Lyle Dennis, CRD Associates	<a href="mailto:ldennis@dc-crd.com">ldennis@dc-crd.com</a>
Dom Ruscio, CRD Associates	<a href="mailto:druscio@dc-crd.com">druscio@dc-crd.com</a>
Erika Miller, CRD Associates	<a href="mailto:emiller@dc-crd.com">emiller@dc-crd.com</a>

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