



THE CRD ASSOCIATES'

HEALTH POLICY REPORT

April 1, 2014

The Headlines:

- **SGIM Takes Capitol Hill by Storm**
- **Congress Puts Another Band Aid on the SGR**
- **SGIM Endorses Udall GME Legislation**

SGIM Takes Capitol Hill by Storm

On Wednesday, March 12, SGIM sent 62 physicians and medical students to the Hill to advocate on behalf of the Society's top priorities.

This was SGIM's most successful Capitol Hill Day to date. Advocates fanned out across 76 House and Senate office to meet with health staffers, and in some cases, members of Congress, to discuss how to better finance the education of future primary care physicians, improve

their training and ultimately reform the practice of primary care.

With the upcoming release of SGIM's white paper on Graduate Medical Education (GME), members shared SGIM's proposal for reforming the program, which were well received. The Hill visits were also timed well to advocate for the permanent repeal of the flawed sustainable growth rate (SGR) formula in advance of the 24 percent cut it mandated on April 1, Members were able to share SGIM's positions on reforming the payment system to support primary care. The visits also allowed participants to

address research funding issues which continue to be a top priority.

Those who were new to advocacy were able to attend a special training session the evening before going to Capitol Hill during which participants reviewed the legislative process and SGIM's "asks" of legislators. All participants had the opportunity to hear Dr. Fitzhugh Mullan, a member of the Institute of Medicine (IOM) panel reviewing GME, speak about the state of the system.

After a full day of Capitol Hill visits, participants were energized by the positive reception they received. For those of you who attended, remember Capitol Hill Day is the first step in building relationships with your members of Congress. Please do not forget to follow up and share SGIM's position on issues that arise for the remainder of the congressional session. We look forward to seeing you on the Hill again next March!

Congress Puts Another Band Aid on the SGR

This Congress got closer than any other. A bipartisan, bicameral policy was developed to replace the flawed Sustainable Growth Rate (SGR) formula. However, getting close was not good enough. On March 31, the

Senate passed the 12 month patch to the SGR, which had previously been approved by the House. This was the 17th patch approved by Congress since the SGR went on the books.

Congressional inaction would have dictated a 24 percent cut in physician reimbursement scheduled for April 1. Instead, physicians will see a 0.5 percent increase for the remainder of 2014 and flat reimbursement for the first 3 months of 2015. The expiration of the patch happens to coincide with the next debt ceiling deadline.

Besides patching the SGR, the legislation also includes a provision directing CMS to continue the review of misvalued codes. Beginning in 2017, the legislation directs that 0.5 percent of the fee schedule must be redistributed through the review of misvalued codes. If the target is not met, the difference between the amount redistributed and the 0.5 percent threshold will be taken out of the fee schedule. SGIM has been a strong supporter of this provision, viewing it as a step towards ensuring RVUs are properly distributed and the accurate valuation of primary care services. The legislation also delayed the implementation of ICD-10 for a year.

While Congress has a year before the next potential SGR cut, there is some optimism that Congress may address this before the deadline. Both the House and Senate have introduced versions of the repeal bill, but remain far apart on offsetting the cost of repeal. Committee staff still believes that they can continue to negotiate offsets and pass a repeal bill before the end of the year, potentially avoiding the 18th patch of the SGR.

SGIM Endorses Udall GME Legislation

SGIM has lent its endorsement to the Primary Care Access Act (S 1978), legislation designed to increase access to primary care services and to address the growing shortage of physicians in rural and underserved communities.

The measure, which is sponsored by Senator Tom Udall (D-NM), includes a number of concepts supported by the Society. It creates a “Centers for Excellence in Primary Care” competitive grant program for 6-12 medical schools to attract students most likely to choose to establish their medical practices in rural and underserved populations for primary care. These Centers are charged with developing innovative curricula that build skills in modern medical

practice (such as 3-year medical school models, rural rotations, mentoring with rural physicians) and develop tracking systems to identify type and location of medical school graduates over five years.

The Udall proposal also proposes to change the allocation of Medicare Trust Fund Graduate Medical Education (GME) to facilities (such as hospitals) that train medical residents based on newly-created performance measures. These measures would incentivize training medical residents in modern medical practice, such as quality improvement, multidisciplinary teamwork, care coordination, health information technology, and factors relevant to training in primary care.

In an effort to increase GME transparency, the legislation calls for the reporting and publishing of information on how hospitals and other facilities annually spend both direct GME (e.g., resident salaries and benefit) and Indirect GME.

The legislation also requires that 35 percent of a group advising HHS on medical reimbursement fees be comprised of primary care physicians.

The measure creates a 6-year pilot program that would send GME

funding support directly to primary care residencies to assure funding to these residencies and encourage training in community sites. Lastly, the bill provides an additional pathway to create and fund primary care residencies under Regional Centers for Workforce Analysis.

Health Policy Committee Leadership Contact Information

Mark Schwartz, HPC Chair	Mark.Schwartz@nyumc.org
T. Shawn Caudill, HPC Co-Chair	tscaudl@pop.uky.edu
Eric Bass, Council Liaison	ebass@jhmi.edu
Bobby Baron, Education Sub. Chair	baron@medicine.ucsf.edu
Scott Joy, Clinical Practice Sub. Chair	scott.joy@ucdenver.edu
Gary Rosenthal, Research Sub. Chair	gary-rosenthal@uiowa.edu
Cara Litvin, Membership Dev. Sub. Chair	litvincb@musc.edu

Health Policy Committee Staff Support

Francine Jetton, SGIM	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