

# The Capitol Key

ACP's Advocacy Newsletter for Key Contacts



August 2005

It was an extremely busy spring and summer as the key health committees in Congress undertook the challenge of fixing the flawed Medicare Fee schedule and designing new Medicare quality improvement requirements. Now that Congress has recessed until after Labor Day, the *Capitol Key* provides a snapshot of what was accomplished and what is ahead for the fall and winter. Remember to log onto the Legislative Action Center (LAC) for the latest action items. The new Grassroots Associate, Tracy Novak, is available to assist you in your communications with Congress (Kathy Liever is now a full-time law student). Her email is [tnovak@acponline.org](mailto:tnovak@acponline.org) and phone is 800-338-2746 ext. 4532 or 202-261-4532.



## ACP Testifies on Physician Payment and Quality Bill

On July 21, College President C. Anderson Hedberg, MD, FACP, testified before the House Ways and

Means Health Subcommittee on the need to provide positive Medicare fee schedule updates and phase-in evidence-based quality improvement measures. His testimony focused on steps the College is taking to lay the groundwork for value-based purchasing by helping internists understand how to incorporate proven quality improvement methods into their practices and provide them with the technological capabilities to support quality improvement.

Dr. Hedberg also participated at a press conference with Rep. Nancy Johnson (R-CT), Chairman of the Ways and Means Health Subcommittee on July 29, when she announced the introduction of H.R. 3617, the *Medicare Value-Based Purchasing for Physicians' Services Act*. The bill repeals the flawed SGR (Sustainable Growth Rate) formula and replaces it with updates based on the Medicare Economic Index and provides a framework for phasing in evidence-based performance measures. *It assures that all physicians receive a positive reimbursement update (instead of the anticipated 4.3% payment cut) in 2006.* Beginning in 2007, it gradually phases in a voluntary program of physician reporting on evidence-based quality measures. During the phase-in, all physicians will receive positive updates, instead of the 26% cut over five years that will result from the SGR. Physicians who participate in a quality improvement and reporting program will receive a full update based on the Medicare Economic Index while those who do not participate will receive a *positive* but lower update.

ACP's support for this legislation and your efforts to convince your representative to co-sponsor the bill are critical. *The hard political reality is that there will not be relief from the SGR cuts without a quality reporting program.* If legislation similar to H.R. 3617 does not pass Congress by the end of the year, the most likely results will be more Medicare payment cuts, a pay-for-performance program that does not adequately address

ACP's concerns, and/or another year of temporary fixes to the SGR that only postpone the cuts to another day. We need your help now to persuade members of Congress, especially those on the House Ways and Means and Energy and Commerce Committees, to co-sponsor H.R. 3617. **Please log onto the LAC to learn more about the bill and to write your representative.** A sample letter is provided, which we encourage you to personalize with your own experiences.



## House passed Medical Liability Bill – Battle expected in the Senate

Thanks to the over 200 Key Contacts who wrote their member of Congress regarding the medical malpractice reform legislation, H.R. 5, the *Help*

*Efficient, Accessible, Low-Cost, Timely Healthcare* (HEALTH) Act. Because of your help, the bill passed the House of Representatives on July 28 by a vote of 230-194. The bill establishes basic protections to the tort system that allow greater access to care, sets limits on attorneys' fees, and allow quicker resolutions to claims.

The vote occurred largely along party lines, with the exception of the following 14 Democrats who voted in support of the bill: Reps Dan Boren (OK), Allen Boyd (FL), Dennis Cardoza (CA), Robert Cramer (AL), Henry Cuellar (TX), Lincoln Davis (TN), Bart Gordon (TN), Tim Holden (PA), Jim Matheson (UT), John Murtha (PA), Collin Peterson (MN), Earl Pomeroy (ND), David Scott (GA), and Gene Taylor (MS). Use the LAC to check how your representative voted; send him/her a thank you letter if he/she supported H.R. 5 (especially the 14 Democrats mentioned above). The bill now goes to the Senate, where the prospects for passage are unclear. Watch for further action alerts as the Senate vote nears.

## Patient Safety Legislation Passes after a Five-year Slog

Five years after the IOM's seminal report on patient safety, bipartisan legislation (S. 544) passed and was quickly signed by President Bush at a ceremony on July 29. The bill creates a national system for voluntary, confidential reporting of medical errors--a measure the College, other medical organizations and consumer groups have spent years lobbying for on Capitol Hill. A major sticking point over the years was whether information collected by certified patient safety organizations was "discoverable" in a court of law. The new legislation protects that information but allows judges in criminal cases to choose to disclose "relevant" medical errors data if it "contains evidence of a criminal act" that is "not reasonably available from any other source."

A coalition of medical and quality organizations that includes the College will be monitoring the bill's implementation to ensure that the new framework for confidential reporting and data analysis will change the culture of "shame and blame" and lead to the reduction of medical errors through system changes.



facilitated by HIT and/or provide care management fees for physicians who use HIT to manage patients with chronic illnesses.

- Authorizes revolving loan programs, grant programs and refundable tax credits for physicians and other health professionals to acquire interoperable health data systems that can accommodate electronic health records, electronic prescribing and clinical decision support tools.
- Requires development and testing of proposed standards for HIT, including studying the impact of such standards on small physician practices and those in rural communities before they are mandated.

Several bills, including S. 1355, approved by the Senate Health, Education, Labor and Pensions (HELP) Committee on July 20, includes several of ACP's recommendations on grants and standards. Only S. 1227, introduced by Senators Stabenow (D-MI) and Snowe, addresses the issue of sustained financing through the Medicare program.

## Negotiations Ahead on Health Programs: VA Medical Funding Shortfall Addressed

Despite progress on many fronts, Congress completed action on only two of the thirteen must-pass spending bills. The full House and the Senate Appropriations Committee completed work on the Labor/HHS/Education bill, leaving the Senate vote and the process of resolving differences between the two bills to be completed. Final action could be a free-standing bill or an omnibus appropriations or reconciliation bill, the latter could contain Medicare physician payment updates and quality improvement provisions.



Here's a summary of where ACP's health funding priorities stand:

Agency for Healthcare Research and Quality: The House approved level funding for AHRQ at \$319 million; the Senate Appropriations Committee number is \$324 million.

Title VII, health professions: For the first time, the House eliminated funding for Title VII with the exception of \$35 million for Scholarships for Disadvantaged Students and \$12 million for Centers of Excellence (both of these programs were cut substantially). The Senate Appropriations Committee restored funding for Title VII at the level of \$454.4 million.

National Institutes of Health: The House number of \$28.5 billion approximated the President's request; the Senate Committee was higher at \$29.4 billion.



## MORE LEGISLATIVE UPDATES

### **Flurry of Activity on HIT Bills**

While Medicare legislation unfolded over the summer, key health committees in the House and Senate were developing legislation to encourage the adoption of interoperable Health Information Technology (HIT). The legislation that reflects the College's recommendations (H.R. 747, the "National Health Information Incentive Act of 2005") continues to add co-sponsors and many of its provisions have been included in several bills under active consideration in the major committees with jurisdiction for HIT. ACP has been supportive of provisions in these bills while at the same time continues to advocate on behalf of H.R. 747 and encourage co-sponsorship. A high level of support for this bill, reflected in part by the number of co-sponsors, increases the chances for the inclusion of ACP's recommendations in the bill that will ultimately go to the floor. If your representative is not a co-sponsor of the bill already, we urge you to visit the LAC and send him/her an email message. If your representative is already a co-sponsor, the LAC will block you from sending that message.

Briefly, this is what the bill does:

- Changes Medicare payments to support HIT and provide permanent funding through an add-on code for office visits to identify that a service was

Community Health Centers: Both the House and Senate Committee numbers (\$1.8 billion) exceed last years funding by approximately \$100 million.

Health Information Technology: The House approved \$75 million; the Senate Committee number is \$95.2 million.

The House Appropriations Committee approved \$21 billion in funding for Veterans Medical Services, \$1.64 billion above FY 05 funding. Part of a shortfall of \$1.5 billion (revised subsequently to \$2 billion) in VA medical care funding was addressed in the conference on another spending bill; the rest of the shortfall will be addressed in the final VA funding bill.



### A Growing Force for Internal Medicine

**By Joseph Stubbs, MD, FACP  
Chair, ACP Services PAC**

With the 109<sup>th</sup> Congress poised to take action this fall on several important health bills, ACP and ACP Services, Inc. continue to strengthen their advocacy efforts on Capitol Hill. ACP Services PAC is a voluntary, nonpartisan political organization dedicated to working on behalf of internists and their patients by supporting candidates for federal office who share the concerns of the internal medicine community.

The PAC helps the specialty strengthen its voice on Capitol Hill by educating lawmakers on issues important to internal medicine. These include the need to avert severe cuts in the physician fee schedule, pass meaningful medical liability reform legislation to address soaring premiums, and expand health insurance coverage for the millions of uninsured Americans.

So far, the PAC has raised \$45,000 from nearly 300 members. The ACP Services Board of Directors recently expanded the size of our board to include two new members, **F. David Winter, MD, FACP**, from Texas, and **Shakaib Rehman, MBBS, FACP**, from South Carolina. The ACP Services board also reappointed the following PAC board members to two-year terms expiring in July 2007: **John F. DeCarli, DO, FACP**; **Paul A. Gitman, MD, FACP**; **Edward D. Harris, MD, FACP**; and **Richard L. Neubauer, MD, FACP**.

For more information, visit our website at [www.acpservices.org/pac](http://www.acpservices.org/pac) (use your ACP Online username and password to access the site).



### **SPOTLIGHT**

Many people deserve recognition including over 250 Key Contacts who, during the last two weeks, followed up with their Representative to urge support of HR 3617. Special thanks to **Steven Craig, MD, FACP**, Governor of Iowa Chapter, and **Mark Mayer, MD, FACP**, Vice President of Ohio Chapter and HPPC Chair, for encouraging their chapter members to contact their legislators re: HR 3617. We are grateful to **Peter Reiter, MD, FACP**, for meeting with Rep Jim Leach (OH) and **Sara Walker, MD, MACP**, for meeting with Rep Kenny Hulshof (MO) to help garner their support of HR 3617. Keep up the good work and let us know about your advocacy so we can include in future newsletters.



### **IMPORTANT UPCOMING EVENTS**

Mark your calendars now for:

**State Networking Session, April 5, 2006**, the Wednesday before the start of Annual Session, Philadelphia.

**ACP Leadership Day on Capitol Hill, May 16-17, 2006**, Wyndham Washington, D.C.

#### **Questions or Comments**

Contact Tracy Novak, Grassroots Associate and PAC Administrator. Email: [tnovak@acponline.org](mailto:tnovak@acponline.org); Phone: 800-338-2746 ext. 4532 or 202-261-4532.

#### **Legislative Action Center (LAC) website:**

<http://www.acponline.org/hpp/advocacy/index.html#lac>