



December 1, 2006



### STILL TIME TO CONTACT CONGRESS ABOUT CUTS

Unfortunately, Congress has not yet taken action to avert the 5 percent cut to Medicare physician payments but there is still an opportunity to pass a fix when the lame duck session resumes on Dec 5. This is the 7th consecutive year that physicians have faced sustainable growth rate (SGR) related payment cuts. For primary care physicians, a 5 percent SGR cut will completely offset the higher payment rates that would have resulted from the increases in the evaluation and management (E/M) work relative value units (RVUs) per a CMS final rule for the 2007 Physician Fee Schedule. This will cause Medicare payments to fall further behind the costs of care, leading to a continued decline in Medicare patient access to primary care services.

The College, along with other medical specialty organizations, met with key House and Senate staff in the week following the elections to discuss options for halting the cuts and the impact of the cuts on access to care. A recent email from ACP President Lynne Kirk generated over 3,460 emails and faxes from College members to Congress – this sends a strong and united message that immediate action must be taken to halt the cuts. Lawmakers will return to Capitol Hill on Dec 5 for a second lame-duck session that may only last for a few days. **We need your help today to continue to put pressure on Congress and House & Senate leadership to ensure that legislation halting the SGR cut is passed before the session concludes.**

Please take a few minutes to contact your members of Congress today, even if you have already done so earlier this fall. Visit ACP's Legislative Action Center (LAC) to send an email or fax to your members of Congress. If you have already sent an email/fax, please use AMA's toll-free Grassroots Hotline to call your three federal lawmakers. **Simply dial 1-800-833-6354, then press 1 and enter your zip code when prompted.** The best time to use the hotline is Mon-Fri, 9am-5pm Eastern.

**LAC website:** <http://www.acponline.org/lac> To logon, use your email address and password of ACP.

Urge Congress to halt the 5 per cent cut in Medicare payments that will result from a flawed SGR formula and replace it with a positive update. Urge their support for implementation of CMS final rule to increase Medicare RVUs for office visits and other undervalued E/M services. **Thanks in advance for your help.**

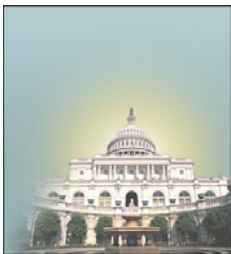


### MID-TERM ELECTION UPDATE

The elections were exciting this year, as those up for reelection included all 435 members of the U.S. House of Representatives and one-third of the U.S. Senate. It was a major victory for the Democrats who won six seats in the Senate and thirty seats in the House, securing majorities in both chambers. The U.S. House of Representatives of the 110<sup>th</sup> Congress is currently comprised of 232 Democrats and 199 Republicans; five races still remain undecided. The U.S. Senate of the 110<sup>th</sup> Congress will have 51 Democrats, including Independents Joe Lieberman (I-CT) and Bernie Sanders (I-VT), who will caucus with the Democrats, and 49 Republicans.

The House majority leadership team in the 110<sup>th</sup> Congress will include Nancy Pelosi (D-CA-8) as House Speaker, Steny Hoyer (D-MD-5) as Majority Leader, James Clyburn (D-SC-6) as Majority Whip, and Rahm Emmanuel (D-IL-5) as chair of the House Democratic Caucus. John Boehner (R-OH-8) will become the Minority Leader and Roy Blunt (R-MO-7) will serve as Minority Whip. Pete Stark (D-13-CA) will become chair of the Ways and Means Health Subcommittee; Charles Rangel (D-15-NY) will head the full committee. The Energy and Commerce Health Subcommittee is expected to be led by Frank Pallone (D-6-NJ); the full committee will be chaired by John Dingell (D-15-MI).

In the Senate, Harry Reid (D-NV) will become Majority Leader and Richard Durbin (D-IL) will be the Majority Whip. Mitch McConnell (R-KY) will serve as Senate Minority Leader and Trent Lott (R-MS) as the Minority Whip. Max Baucus (D-MT) will assume leadership of the Finance Committee. Edward Kennedy (D-MA) will chair the Health, Education, Labor, and Pensions Committee. The 110<sup>th</sup> Congress will convene in January.



### APPROPRIATIONS UPDATE

The 109<sup>th</sup> Congress has passed only two of the twelve annual spending bills: Defense and Homeland Security. The remaining bills, including the Department of Health and Human Services, are currently being funded under a continuing

resolution (CR) that expires on December 8. Due to significant differences in funding, Republican leadership is expected to introduce a new short-term CR, extending into 2007, when the second lame-duck congressional session resumes on December 5. The new CR is expected to continue to fund most spending bills at the lower of the House-passed, Senate-passed, or FY 2006 enacted levels. Appropriators are reportedly considering additional funding above the “lower-level” formula for certain programs such as veterans health care. Due to the change in congressional leadership, the Democratic leadership will have to finish the appropriations bills in the 110<sup>th</sup> Congress that begins in January.

### HEALTH INFORMATION TECHNOLOGY BILL

Unfortunately, prospects look dim for passage of HIT legislation in the 109<sup>th</sup> Congress. The House and Senate each passed different versions and the conference committee that is working to craft a compromise seems to have reached an impasse. No additional action is expected during the second lame-duck session. The College intends to work with key members of Congress and their staff to move HIT forward early in the 110<sup>th</sup> Congress and ensure that any legislation would include financial and reimbursement incentives to physicians, particularly those in small physician practices.



### MARK YOUR CALENDARS FOR LEADERSHIP DAY IN WASH DC



**2007 Leadership Day:** May 15-16 with a special legislative briefing for student and associate members the afternoon of May 14.

**2008 Leadership Day:** May 13-14 (held in connection with Internal Medicine 2008).



### ACP TESTIFIES BEFORE CONGRESS ABOUT PAYMENT REFORM

On September 28, Board of Regents’ Chair William Golden, MD, FACP, testified before the U.S. House of Representatives Subcommittee on Health of the Energy & Commerce Committee about the critical need to reform Medicare payments to physicians. The House Energy and Commerce Committee has principal jurisdiction over Medicare Part B physician payment policy. Dr. Golden discussed the importance of Congress taking action to avert the SGR cuts and stabilizing payments for more than one year as a first step toward longer term reform.

Dr. Golden stated that “Congress should embrace the opportunity to pass legislation this year that will transition the dysfunctional Medicare payment policies to a bold new framework that will improve quality and lower costs by aligning incentives with the needs of patients.” He presented ACP’s recommendations to create positive incentives for patients to establish and maintain a long-term relationship with a physician in a ‘patient-centered medical home.’ He advocated for comprehensive reforms in Medicare payment policies to reimburse physicians for the work and office systems involved in coordinating and managing the care of patients, especially those with multiple chronic diseases. Dr. Golden’s testimony is available at [http://www.acponline.org/hpp/ec\\_test07.pdf](http://www.acponline.org/hpp/ec_test07.pdf).

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**Questions or Comments:** Contact Tracy Novak, Supervisor of Grassroots Advocacy and ACP Services PAC, Email: [tnovak@acponline.org](mailto:tnovak@acponline.org); Phone: 800-338-2746 ext. 4532 or 202-261-4532.

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