

One Step Forward, Two Steps Back for National Health Care Reform

It was another busy week for efforts in Washington to reform the nation's health care system. In what is considered by some to be a setback, Senate leaders agreed to delay a vote until after the August recess which is scheduled to begin on August 7th. Discussion on the House side centered on a relatively new idea advanced by the President which would delegate important Medicare reimbursement decisions to an Independent Medicare Advisory Council or IMAC. Critics are calling IMAC "MedPac on steroids," a reference to the current advisory group that reports annually to Congress but which has no direct regulatory authority.

The President, who on Wednesday night devoted his televised press conference to the topic of health system reform, is recommending that IMAC replace MedPAC, be reduced from the current 17 members to only 5, and that they serve five-year terms, with one of the members serving as the chairman.

IMAC would annually have two primary responsibilities, first to set reimbursement rates and secondly to recommend broad reforms aimed at improving quality and reducing costs. IMAC decisions would be sent to the President, who would have thirty days to act on them. If the President approves the recommendations and sends them to Congress, it would have thirty days to approve or reject them. But the President could act only on the entire set of recommendations (he could not pick and choose) and Congress could reject the recommendations only by joint action of both the House and Senate within 30 days of receiving the report.

Several national medical specialty societies have expressed opposition to the idea of delegating such responsibilities to an independent group and it is certainly not clear at this point if the Congress would be willing to yield that degree of control to IMAC. But there is increasing pressure to focus on cost controls and the Congressional Budget Office (CBO) so far has been very conservative in its analysis of what items being considered might actually slow the growth trends in medical expenses.

The moderate House members organized as the "Blue Dog" caucus, which includes Maine Congressman Mike Michaud, have pressed for more cost controls in the package of reforms, expressing concern about the growing federal deficit. MMA representatives joined representatives from organized labor this week in meeting with Congressman Michaud's staff to discuss his concerns and to encourage his support for reform.

In addition to the IMAC and the pace of development of legislation in the various Senate and House committees, other controversial issues include various funding proposals ("surtax on millionaires" and Senator Kerry's proposal to tax "Cadillac" health plans, for example), the income levels for which subsidies will be available, and the individual/employer mandate proposals.

In addition to the AMA's indication of support for H.R. 3200, the following medical societies have issued written comments on H.R. 3200 that are either supportive or neutral on the overall reform effort with comments addressing specific concerns of the specialty:

- the American Osteopathic Association
- the Infectious Disease Society of America
- the American Psychiatric Association
- the American College of Surgeons
- the Society of Hospital Medicine
- the American College of Physicians
- the American Academy of Pediatrics
- the American Academy of Family Physicians

The following medical societies have issued statements in opposition to H.R. 3200:

- the American Association of Neurological Surgeons/Congress of Neurological Surgeons
- the Association of American Physicians & Surgeons

On July 22, 2009, the U.S. Chamber of Commerce launched a multi-million dollar advertising and grassroots campaign in 5 key states, including Maine (AR, CO, LA, ME, NC), arguing against the inclusion of a public option in the national health care reform effort.

You can continue to track the AMA's statements on the national health care reform developments on the web at: <http://www.ama-assn.org/ama/pub/news/news/ama-affirms-support.shtml>.

The MMA will continue to update you on the national health care reform debate through the *Weekly Update*.