This Week in Health Policy...
• Medicare Physician Payment Cuts
• $250 Million to Boost Primary Care
• Medical School Rankings on Social Mission
• Implementing Reform: ‘Grandfathered’ Health Plans

Office of Health Policy and Government Relations
If Congress does not act by Friday, June 18, the Centers for Medicare & Medicaid Services will instruct its contractors to process Medicare claims submitted from June 1st onward at rates that reflect the 21 percent cut.

The Senate continues to debate over the legislation, H.R. 4213 (commonly known as the tax extenders bill), that could prevent such cuts. The holdup in the Senate is due to growing concerns about adding to the deficit. In addition to the ‘doc fix,’ the bill would extend COBRA subsidies to recently laid-off workers and would increase state Medicaid funding.

The U.S. House of Representatives passed its version of the tax extenders bill before leaving for the Memorial Day Recess. The Senate took up the bill upon returning from recess and is not likely to pass the tax extenders bill in a form similar to the House, so the bill will have to be sent back to the House for passage. It is uncertain if this will be completed before the cuts go into effect on Friday.

This is the third time now, this year, that Congress has missed the deadlines that would prevent payment cuts to physicians who treat Medicare patients. Let your Member of Congress know that cuts required by the SGR formula reduce access to care for elderly and disabled patients and that current Medicare payment rates are below the cost of providing patient care. Click here for contact information for your Senator.
On June 16, President Obama announced the allocation of $250 million to boost the numbers for primary health care providers. The funding is provided by the Prevention and Public Health fund for fiscal year 2010, created by the health reform law enacted last March.

The investment is in response to the nation-wide shortage of primary care providers, which will continue to be an issue as 32 million newly-insured patients enter the system at the same time that the numbers of medical students choosing primary care drops.

Overview of how the $250 million will be spent:
• $168 million to increase the number of primary care physicians by 500;
• $32 million to increase the number of physicians' assistants by 600;
• $30 million to increase the number of nurse practitioners by 600;
• $15 million to add 10 new nurse managed health centers; and
• $5 million in grants to encourage states to expand their primary care workforce.

Click here to view video of the President’s remarks on the investment to expand the primary care workforce. Click here to read a fact sheet.
Medical School Rankings on Social Mission

According to the study, "The Social Mission of Medical Education: Ranking the Schools," published this week in the *Annals of Internal Medicine*, medical schools vary substantially in graduating students who practice in underserved areas and/or who enter primary care.

The study analyzed data from physicians who graduated from 141 medical schools between 1999 and 2001 and ranked the schools on a “social mission” metric. The social mission score looks at the percentage of graduates who practice primary care, work in health professional shortage areas, and/or are underrepresented minorities.

**The Findings:**

- Three historically black colleges had the highest social mission rankings. Nearly 40 percent of Morehouse graduates practiced primary care in underserved areas.
- Public and community-based medical schools had higher social mission scores than private and non–community-based schools.
- Medical schools in the Northeast, and in more urban areas, were less likely to produce primary care physicians and physicians who practice in underserved areas.

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<thead>
<tr>
<th>Rank</th>
<th>School</th>
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<tbody>
<tr>
<td>1</td>
<td>Morehouse College</td>
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<tr>
<td>2</td>
<td>Meharry Medical College</td>
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<td>3</td>
<td>Howard University</td>
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<td>4</td>
<td>Wright State University Boonshoft School of Medicine</td>
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<td>5</td>
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<td>Michigan State University</td>
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<td>East Carolina University Brody School of Medicine</td>
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<td>8</td>
<td>University of South Alabama</td>
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<td>9</td>
<td>University de Puerto Rico en Ponce</td>
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<tr>
<td>10</td>
<td>University of Iowa Carver College of Medicine</td>
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Source: Recreated from table within: “The Social Mission of Medical Education: Ranking the Schools.” *Annals of Internal Medicine*

Click [here](#) to read the full article.
On June 14, the Department of Health and Human Services released regulations that would determine how insurance reforms will apply to individual or group health plans already in place at the time of enactment of the health reform law (March 23, 2010).

These ‘grandfathered plans’ are exempt from certain provisions of the health care law. Most importantly they do not have to cover federally-defined essential health benefits, and they do not have to provide free preventive care. A health plan could, however, lose its grandfathered status if the employer changes polices that result in cutting health benefits or increasing costs to employees.

Under the regulations, health plans cease to have "grandfathered" status if they:
• Significantly cut or reduce benefits;
• Increase coinsurance percentage;
• Increase deductibles, out-of-pocket limits, or fixed dollar cost-sharing requirement by more than the rate of medical inflation plus 15 percentage points;
• Increase copayments by more than the rate of medical inflation plus 15 percentage points;
• Reduce employer contribution to premiums, by more than 5 percentage points;
• Reduce the dollar value of existing annual limits or impose annual limits where they did not previously exist.

Click [here](#) to read a fact sheet on the new regulations.
What You Can Do

• Let your Member of Congress know that the 21 percent cuts required by the SGR formula reduce access to care for elderly and disabled patients and that current Medicare payment rates are below the cost of providing patient care. Click here for contact information for your Senator.

• Register to attend the 2010 National Medical Association Annual Convention & Scientific Assembly in Orlando, Florida, July 31 – August 4, 2010. Make plans to arrive in Orlando by the morning of July 31st in order to attend this year’s Mazique Symposium.

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