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Senators Introduce Bill to Extend Medicaid Payment Increase

Senators Patty Murray (D-Wash.) and Sherrod Brown (D-Ohio) introduced the *Ensuring Access to Primary Care for Women & Children Act* ([S. 2694](#)) on July 30, which would extend the Medicaid payment increase of 2013 and 2014 by two additional years. The payment increase, which was authorized as part of the Affordable Care Act, would increase Medicaid payment rates to at least those of Medicare for certain evaluation and management (E&M) and vaccine administration codes billed by qualifying providers. Prior to the Medicaid payment increase, Medicaid physicians were paid on average 58% of the Medicare reimbursement rate for certain primary care services, impacting access to affordable health care for children.

The legislation would also expand the alignment in payments to include other providers who provide primary care, including obstetricians and gynecologists. For additional information on the bill, please see a [Dear Colleague letter](#) from the bill’s two sponsors as well as a [one-page fact sheet](#). Members of PPC

organizations are encouraged to contact their [senators](#) and urge them to be cosponsors of the legislation.

Representatives Introduce CHIP Extension Legislation

Reps. Henry Waxman (D-Calif.) and Frank Pallone (D-N.J.) introduced the *CHIP Extension and Improvement Act of 2014* on July 31, which would extend the Children's Health Insurance Program (CHIP) for a further four years through 2019. The legislation comes after Sen. Jay Rockefeller (D-W.Va.) introduced his own CHIP extension bill, *The Children's Health Insurance Program Extension Act of 2014* (S. 2461), on June 11 that would also extend the program through 2019.

Since the program was first enacted in 1997, CHIP has grown to finance health coverage for nearly 8 million children in families with incomes too high to qualify for Medicaid but whose employers may not pay for health coverage for dependents. Further, since CHIP's creation, the percentage of uninsured children has been cut in half, from 25% in 1997 to 13% in 2012, while improving health outcomes and access to care for children and pregnant women. On July 29, members of the Senate Finance and House Energy and Commerce Committees sent a bipartisan, bicameral [letter](#) to all 50 state governors requesting information about changes needed in the state implementation of the CHIP program and how the program should best be extended.

PPC Submits Comments to FDA on Tobacco

On August 8, the PPC submitted comments on the Food and Drug Administration (FDA)'s proposed rule to deem all tobacco products, including e-cigarettes and cigars, subject to the Food, Drug, and Cosmetic Act. In the comments, the PPC highlighted the importance of scientific research in the development of federal and state tobacco policy, and encouraged the FDA to work with the National Institutes of Health (NIH) to expand funding for research in tobacco regulatory science.

The FDA proposed rule, issued on April 25 for public comment, would extend the purchase age of 18 to e-cigarettes and all other tobacco products, add new warning labels, and prohibit the offering of free samples and vending machine sales. Once the rule becomes final, the FDA would be able to remove, after a proposed 24-month grace period, any non-grandfathered e-cigarettes from the market found not to be "appropriate for the protection of public health." However, the rule fails to propose any marketing restrictions, any prohibition on candy flavored products, or any child-resistant packaging for liquid nicotine products. The rule also offers an option for potentially excluding "premium cigars" from any FDA regulation. The PPC urged the FDA to ban all characterizing flavors other than tobacco in all tobacco products, to apply its regulatory authority over all tobacco products including premium cigars, to impose marketing restrictions on all tobacco products to reduce their exposure to children, and to require child-resistant packaging on liquid nicotine containers. The public comment period on the proposed rule closed on August 8. The FDA will now review all submitted comments before drafting its final rule.

Federal Appeals Court Upholds “Gag Law” on Gun Safety Counseling

On July 25, the U.S. Court of Appeals for the 11th Circuit issued a [decision](#) to uphold a “physician gag law” that would prevent physicians from discussing gun safety with their patients and patients’ parents. The ruling reversed a June 2012 decision by U.S. District Judge Marcia G. Cooke of the Southern District of Florida-Miami who ruled in favor of the Florida chapters of the American Academy of Pediatrics (AAP), American Academy of Family Physicians (AAFP), the American College of Physicians (ACP), and several plaintiff physicians who argued that the gag law violated physicians’ First Amendment rights to counsel their patients.

In June 2011, Florida Governor Rick Scott signed the *Florida Privacy of Firearm Owners Act*, which subjects physicians to harsh professional misconduct penalties for discussing firearm safety with their patients and patients’ parents or asking routine questions about how firearms are stored and used in the household.

IOM Releases Study on the Future of Graduate Medical Education

The Institute of Medicine (IOM) released a long-awaited [report](#) on July 29 making recommendations on the future governance and financing of graduate medical education (GME). Based on key findings concerning the current physician workforce population and GME financing, the 21-member IOM committee that released the report, chaired by Gail Wilensky, PhD and Donald Berwick, MD, FAAP, recommended significant modifications both to the GME payment model and the GME policy infrastructure. These reforms would require congressional action.

The committee recommended that a GME policy council be established at the Department of Health and Human Services (HHS) to develop a strategic plan for future GME funding and to sponsor research on the physician workforce, in addition to recommending a GME center within the Centers for Medicare and Medicaid Services to implement the policy council’s funding decisions for GME. The committee also recommended that the indirect and direct GME funding streams that currently exist be consolidated into one stream for organizations sponsoring residency slots, and that the Medicare GME funding pool would be split into a GME Operation Fund that would maintain support for currently approved residency slots and a GME Transformation Fund that would finance new and innovative GME programs. Although not a major focus of the report, the committee did propose moving both the Children’s Hospital Graduate Medical Education (CHGME) and Teaching Health Center Graduate Medical Education (THCGME) programs out of the annual Congressional appropriations process and into the Medicare GME funding stream. The report was inconclusive on the issue of whether there would be a future physician workforce shortage, and therefore recommended maintaining existing levels, rather than expanding, overall levels of GME funding.

Save the Date: 2015 AAP Legislative Conference

The AAP Legislative Conference will be held April 12-14, 2015, in Washington, DC. Participants will have the opportunity to develop their federal advocacy skills through interactive workshops, learn about timely child health policy topics, hear from several guest speakers from Congress and the Administration

and visit with their legislators on Capitol Hill. If you are interested in attending and would like to be notified when registration opens, please email LegislativeConference@aap.org. For more information, please visit aap.org/legcon.