

# **HEALTH SYSTEM REFORM**

## **Obama Administration Activities**

### ***Health Care Reform Summit Meetings***

The Obama Administration has been holding an ongoing series of health care reform meetings/summits. On March 25, 2009, AANS President, James Bean, was invited to attend one of these meetings.

Full details of the Administration's effort are available at: <http://www.healthreform.gov/>

### ***White House Office of Health Reform Established***

As promised earlier, the President signed an Executive Order establishing the White House Office of Health Reform which will be chaired by former Clinton Administration CMS Administrator Nancy-Ann DeParle. Nancy-Ann DeParle said she is optimistic health care reform legislation will clear Congress by the August congressional recess and be signed into law by President Obama by the end of 2009.

At a White House meeting on reform, Director DeParle and participants representing providers, insurers, consumers, the medical device industry, drug makers and other stakeholders discussed the rising costs of health care coverage and how it is making it difficult for small businesses to offer meaningful and affordable coverage to workers. They also discussed the workforce shortage in health care, the tax treatment of health care benefits, the need to get schools more involved in improving children's health and how living wills could help lower end-of-life treatment costs. No decisions were made during the meeting and the discussion mostly stayed clear of more controversial topics such as how to pay for reform, whether an individual mandate for coverage is needed, whether Medicare and Medicaid funding should be reduced to help pay for reform and whether a public health care plan should be created to compete with private plans. In summary, Director DeParle acknowledged that "the devil is in the details" when it comes to crafting reform legislation and getting it through Congress.

## **Legislative Activities**

Congress is very busy holding numerous hearings on health care reform, and House and Senate leaders have set the schedule for passage of comprehensive health system reform legislation. As these conversations and meetings continue, the large, overall health system reform legislation that was initially expected in early 2009 is now expected by early summer. The chairmen of the House Committees on Ways & Means, Energy & Commerce, and Education & Labor have announced that they plan to work together to develop one bill, as opposed to three separate efforts. Chairman Waxman expects to have a bill completed by August recess. Sen. Baucus continues to work with Sen. Kennedy to develop a Senate version. He has also announced he expects to have a bill drafted by June, passed by Congress, and on the President's desk before August recess. This is a VERY ambitious schedule and will be a tall order to fill, but Congressional leaders from both sides of the Hill are claiming it is possible.

No proposals have yet to emerge, although it appears that the Senate Finance Committee's proposal will largely be based on Senator Baucus' White Paper, available at: <http://finance.senate.gov/healthreform2009/home.html>.

In addition, the House Ways and Means Committee is rumored to be basing its proposal on the Commonwealth Fund's plan, available at: <http://www.commonwealthfund.org/Content/Publications/Fund-Reports/2009/Feb/The-Path-to-a-High-Performance-US-Health-System.aspx>

## **State Children's Health Insurance Program (SCHIP)**

In the first month of the 111<sup>th</sup> Congress, several bills have been introduced of health system reform, but to date only the State Children's Health Insurance Program (SCHIP) has been passed and signed into law by President Obama. The SCHIP bill provides \$32.8 billion of extra funding over the next four and a half years for the program, an amount estimated to allow coverage of an additional 4.1 million children. The program covered about 7 million in 2008. This funding expansion is provided by a 62 cents per pack cigarette tax increase.

## **Specialty Care Hearing**

Discussions related to health care reform have largely focused on the need to improve primary care and expand services for chronic disease management and preventive care. Largely absent from the debate have been discussions about specialty care. Following a meeting with Senator Sherrod Brown (D-OH), which was attended by AANS and CNS Washington Office staff and AANS President, James Bean, the Senate HELP Committee has agreed to hold a hearing on specialty care. The AANS and CNS, working with the Alliance of Specialty Medicine, has suggested that the hearing touch on the following topics:

- Workforce shortages (now and in the future) of surgeons/specialty physicians
  - primary care is certainly important to the foundation of the health care system, however, we still need a robust specialty care workforce
  - not every disease/disorder is preventable, people will still have accidents and develop conditions that require specialty care treatment, and *"it IS brain surgery!"*
- Importance for patients to have direct access to and choice of the specialist without gatekeeper or too many hoops;
  - raise concerns about Medical home structure -- that this is/may be managed care in sheep's clothing
- Direct access to specialty care = quality and health care savings (as was demonstrated during the patients' bill of rights debate)
  - getting to specialty care in a timely fashion, without having patients flailing around in a primary care physician practice can reduce unnecessary tests and so forth because specialists can better assess what is necessary and what is not; also specialists more capable of delivering quality care for those diseases and disorders within the specific training and purview of the specialist
- Quality improvement programs cannot be a one-size-fits-all
  - surgeons and many specialists are focusing on outcomes and not just process of care measures;
  - improvements to be made in the PQRI program to enhance its relevance to specialty care and to better measure and lead to quality improvements;
  - need to be cautious about moving to pay for *performance* and rather should continue pay for reporting, which will (if done appropriately) improve quality;
  - need to provide structure for Comparative Effectiveness Research; specialties must be significantly involved in the CER and CER funds should be directed to support the infrastructure of specialty society sponsored clinical data registries for projects related CER, quality improvement, etc.
- HIT timelines for bonus and penalty structure included in the stimulus package need to be adjusted
  - EMR systems for specialty practices are lagging in their development and approval and hence specialty physicians will not be able to participate in the bonus structure and will

be subject to financial penalties through no fault of their own; problems related to e-prescribing, particularly the DEA rules for narcotics, which are prescribed by many surgeons/specialists.

- Medicare SGR needs to be addressed and we cannot rob Peter (the specialist) to pay Paul (the primary care physician)
- Specialty physicians are critical to the public health; describe many prevalent medical problems and fact that specialty physicians (not just primary care physicians) take care of these patients (e.g., heart disease, back pain, arthritis, osteoporosis, cancer, obesity, stroke, head injury, emergency care, etc.)
- Potential new health care delivery paradigms – demonstration projects/pilot programs to evaluate things like bundling, accountable care organizations, etc – with reality check that such delivery modes will not work for all specialties