



Advocacy

ADVISORY

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HOT TOPICS FOR ADVOCACY IN THIS ISSUE

THIS ISSUE of the Advocacy Advisory will focus on topics of current interest to health care, including ongoing federal and state issues related to patient access, covering the uninsured, and reimbursements. The CHRISTUS position is consistent that health care dollars must be preserved in programs such as Medicare and Medicaid, as both of these programs these serve a vital function as part of the health care safety net for the uninsured and underserved population.

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CONGRESS OVERRIDES PRESIDENTIAL VETO; STOPS CUT IN MEDICARE PAYMENTS TO PHYSICIANS

President Bush vetoed legislation to halt a scheduled cut in Medicare reimbursements to doctors, as he promised he would do. However, both Houses had the votes necessary to override the veto and did so with resounding numbers – the House voted 383 – 41 for the override; the Senate vote was 70 – 26.

Last week, Senator Edward Kennedy returned to the Capitol for the first time since his surgery last month for brain cancer, and cast one of votes in favor of the measure, which before going to the President for signature had more than the two-thirds margin that would be required to override a veto. All 30 votes in opposition came from Republicans. The legislation reverses a 10.6 percent fee cut for doctors who treat patients under Medicare. The plan crafted by Democrats and now enacted will reduce payments instead to insurance companies that provide care through Medicare Advantage plans. Some Republicans said insurers would be forced to pare benefits.

“I return to the Senate today to keep a promise to our senior citizens -- and that's to protect Medicare,” Kennedy said in an e-mailed statement after the vote. “Win, lose or draw, I wanted to be here.” The only senator absent from the vote was John McCain of Arizona, the presumptive Republican presidential nominee. McCain, campaigning in Ohio, said he would have opposed taking up the legislation. Democrats used the measure for “partisan purposes” by demanding that reversal of the fee reductions for doctors be linked to cuts in private Medicare insurance, he said. Senator Barack Obama of Illinois, the presumptive Democratic presidential nominee, voted for the Medicare measure. Aides to Bush have said he planned to veto the measure because of the cuts to insurers.

The physician pay cuts were required under a formula Congress passed a decade ago to hold down spending. In recent years, lawmakers have repeatedly overridden required reductions, leaving doctors facing a larger cut now. Although the 10.6 cut took effect officially on July 1, Medicare had said it would delay processing bills until at least July 15, giving Congress time to reverse it. In an initial vote on June 26, the Senate fell short of the margin needed to take up the measure, with Kennedy and McCain absent. Nine Republicans switched their votes to support the measure, among them John Cornyn, of Texas, who faces re-election in November and had lost the backing of the Texas Medical Association's political arm because of his earlier opposition.

Source: Reuters News Service, Associated Press, 7/15/08.

HOUSE VOTES COMPANION MEASURE TO UNIVERSAL HEALTH CARE

Reps. Debbie Wasserman Schultz (D-FL) and Jo Ann Emerson (R-MO) this week introduced a companion bill (HR 6444) to Senate legislation (S 334) that would establish a universal health insurance system in the United States. The Senate bill, which was sponsored by Sens. Ron Wyden (D-OR) and Bob Bennett (R-UT), would effectively replace the employer-sponsored health care system with a system in which individuals would purchase private health insurance through state-administered purchasing pools. The legislation would require all residents to obtain health insurance. Wyden in April modified the bill to allow employers to continue to provide health insurance. An employer provision also was added to the House measure this week. The House bill has 19 supporters, two of whom are Republicans; the Senate legislation has 14 co-sponsors, seven of whom are Republicans. Bennett at a news conference said, “The heavy lifting is still ahead, but the fact that there are so many people here willing to participate in this gives me hope that we can get it done.”

Source: Associated Press, 7/10/08.

CONGRESS CALLS ON CMS TO CORRECT MEDICARE FRAUDULENT PAYMENTS TO PHYSICIANS

From 2000 to 2007, Medicare paid between \$60 million and \$92 million to medical suppliers that used the identification numbers of dead physicians to file fraudulent claims, according to a report presented this week by the Senate Homeland Security and Governmental Affairs, Investigations Subcommittee. For the report, subcommittee investigators examined a random sample of 1,500 physicians who died between 1992 and 2002 and found that 734 of their Medicare identification numbers appeared on claims filed from 2000 to 2007. Those ID numbers were used for 21,458 claims totaling \$3.4 million, and investigators extrapolated from these amounts to estimate a total number of fraudulent claims.

Medicare paid an estimated 478,500 claims containing identification numbers that were assigned to deceased physicians during that period, and those claims contained identification numbers for an estimated 16,548 to 18,240 deceased physicians, the report found. Active identification numbers for as many as 2,895 dead physicians remain in the Medicare database, according to the report.

According to a report released in 2001 by the HHS Office of Inspector General, Medicare in 1999 paid \$91 million in claims that used the identification numbers of physicians who no longer participated in the program. In response, CMS required a one-time elimination of the identification numbers of dead physicians from the Medicare database and ordered contractors to reject claims that used inactive or invalid identification numbers. However, the subcommittee report found that those measures did not address the issue. "The fact is that, seven years after the problem was first identified, the claims-review process is still not working properly to reject claims containing the provider numbers of deceased physicians." The report recommended that CMS eliminate the identification numbers of dead physicians from the Medicare database on a timely and efficient basis."

Source: Washington Post, 7/9/08.

CDC LAUNCHES HEALTHIEST NATION INITIATIVE

The Centers for Disease Control this week launched the "Healthiest Nation Campaign," which seeks to promote efforts to improve the health of U.S. residents. According to CDC Director Julie Gerberding, the campaign will seek to include efforts to improve health in social policies in all levels of government and all sectors. Gerberding will discuss the campaign at "Shaping Policy for a Healthier Nation," a conference next week and Wednesday in Washington, D.C., that will include more than 300 representatives from the business, non-for-profit, health care, sports and entertainment sectors. She said, "We put way too much emphasis on treating disease rather than protecting health in the first place," adding, "People are talking about health care reform, but they're not really talking about health." Disease management and prevention programs receive about five cents of every dollar spent on health care in the U.S., Gerberding said, adding, "Many countries have put more emphasis on health promotion" than the U.S. Gerberding said that disease prevention programs should focus on the "things we need to do before we get to the doctor's office," such as additional lanes for bicyclists and walking paths for pedestrians, more nutritious meal options in schools and a public smoking ban. In addition, she said that expansion of health insurance to all residents would not be sufficient to ensure their health. "When people talk about access, they usually are thinking this person does or does not have insurance," but "access is a much more complicated issue than just insurance," Gerberding said, adding, "If you solve the problem of access, it at best would account for 25% of the health disparities we're seeing."

Source: Gannett News Service, 7/8/08.

FUEL PRICES BEGINNING TO IMPACT HOME HEALTH SERVICES

Many agencies that provide home health and other services to elderly clients have begun to reduce their services as a result of increased gasoline prices, with the problem most prevalent among agencies in rural areas, according to reports in several major newspapers. According to a survey recently released by the National Association of Area Agencies on Aging, half of the agencies have reduced services because of increased gas prices, and 90% plan to reduce services in fiscal year 2009. The agencies maintain that they face a shortage of workers because the jobs are low paying and require a large amount of travel for only a few hours of work. A survey recently released by the National Association for Home Care and Hospice found that in 2006 home health and hospice workers drove 4.8 billion miles to serve 12 million clients. The agencies have asked Congress to factor increased gas prices into Medicare reimbursements and to reinstate special increases in reimbursements for those in rural areas included in a program that expired in 2006.

Source: Associated Press, 7/8/08.

HOMELAND SECURITY WANTS FURTHER GUIDELINES FOR IMMIGRANT REPORTING

The Immigration and Customs Enforcement bureau should promptly report all deaths of immigrants held at federal detention centers in the U.S. to the Department of Homeland Security, as well as to state authorities where required by law, according to recommendations in a report released last week by the DHS Office of Inspector General. The 55-page report follows a "special review" of the deaths of two immigrant detainees. Although both detainees died of pre-existing medical conditions, the review found that the cases highlighted larger problems with oversight and medical care at immigration detention centers, including the failure to recognize or address serious health care deficiencies at the centers. The review, conducted by the Office of the Federal Detention Trustee at the Department of Justice, involved the deaths of a 60-year-old South Korean woman with cancer in September 2006 at the Regional Correctional Center in Albuquerque, N.M., and a 30-year-old Ecuadorean woman with a severe brain infection caused by a parasite in April 2006 at the Ramsey County jail in St. Paul, Minn. According to the review, both women received inadequate medical treatment. In addition, a government investigation of the center in Albuquerque found detainees waited for up to one month for medical attention due to a nurse shortage. The review also found that 11 of the 20 immigrant detainees with chronic health conditions were scheduled for regular visits at chronic care clinics and that centers were not adhering to requirements that they notify DOJ and DHS about detainee deaths. The inspector general's report called on ICE and the detention trustee to pool information about the detention centers and recommended improved medical screening and education about the parasite. Kelly Nantel, a spokesperson for ICE, said that "as a result of the report," the agency has developed guidelines for all deaths to be reported to the appropriate state and federal authorities."

Source: The New York Times, 7/3/08.

Of Physician Interest

AMA ISSUES APOLOGY FOR RACIAL INEQUALITY

The American Medical Association has issued an apology for what it called its past history of racial inequality toward African-American physicians, and shares its current efforts to increase the ranks of minority physicians and their participation in the AMA. In 2005, the AMA convened and supported an independent panel of experts to study the history of the racial divide in organized medicine, and the culmination of this work prompted the apology. Details of the panel's work will be made public next week on the Web site of the AMA's Institute for Ethics to coincide with publication in a scientific journal. The AMA created the Minority Affairs Consortium (MAC) to address the specific needs of minority physicians and to stimulate and support efforts to train more minority physicians. The philanthropic arm of the AMA each year provides \$10,000 scholarships to medical student winners of the AMA Foundation Minority Scholars Award, in collaboration with the MAC. This year, 12 students received the award.

Source: American Medical Association, 7/9/08.

Of Regional Interest

ARKANSAS

Beebe to Announce Move Toward State Trauma System. Arkansas Gov. Mike Beebe has announced a move toward setting up a statewide trauma system after efforts failed during last year's legislative session. "It's going to be a first step, but a very preliminary step," Beebe spokesman Matt DeCample said this week. Lawmakers supported the idea of a statewide trauma system during the 2007 session but failed to find a way to pay the \$25 million cost. The House favored increasing some court fees. The Senate supported adding a fee to auto insurance premiums. DeCample said Beebe doesn't plan to announce any legislation planned yet for next year's session regarding the trauma system.

Source: Stateline.org, 7/9/08.

LOUISIANA

Jindal Says No Special Session. Gov. Bobby Jindal said the legislative sessions are over for the year, with no special sessions planned until early 2009 and he is moving his focus to health care changes and a series of town hall meetings in August. Jindal said earlier this week that the only thing that could prompt him to bring lawmakers back to the state Capitol, after nearly six straight months of special sessions and a regular one, would be a catastrophe along the lines of Hurricane Katrina. He said he likely will call a special session early next year, but he wouldn't detail any specific plans for the session that is expected to include budgeting a large state surplus. Meanwhile, the governor - a former state health care secretary - said he will turn much of his focus now to changes in Louisiana's health care system, including reworking the \$8 billion Medicaid program that provides health care to the poor, elderly and disabled. "I think you're going to see a lot of health care reform take place in the next few months," Jindal told the Press Club of Baton Rouge, in a wide-ranging speech that covered several topics.

Jindal is backing plans started under former Gov. Kathleen Blanco's administration to focus more on preventive health measures, to offer better coordinated care in less costly facilities than hospital emergency rooms and to reward health care providers who do their jobs well. "Our current system is outdated. Our current health care system is mired in an infrastructure designed according to the way health care was delivered 50 years ago," Jindal said. Many of the changes won't require legislative approval. However, some might require federal approval for changing spending of federal Medicaid dollars. Next month, Jindal said he plans a series of town hall meetings across the state, and he will travel to South Carolina to tour a facility operated by steelmaker Nucor Corp., which is considering whether Louisiana will be the site for a new \$2 billion plant.

Jindal also said he expects to strip millions of dollars in legislative add-ons from the state's budget bill for the current fiscal year, with his line-item veto. The nearly \$30 billion budget took effect last week, but Jindal has another week to remove individual items. Lawmakers added about \$55 million for their own pet projects. He also will not veto the hefty pay raise for his economic development secretary, Stephen Moret, even as he jettisoned pay raises for lawmakers and state utility regulators. Moret will make \$320,000 a year, up from the \$245,755 salary paid to his predecessor. Jindal said the increased salary comes with increased expectations and a "high level of scrutiny." Jindal claimed that he does not yet know the extent of any backlash from lawmakers angry over his veto of a bill to double legislators' pay. He said he thought the public was relieved at the veto and that voters expect lawmakers and the governor to focus on issues like roads, health care and education. He said he was optimistic he'll be able to work with the Legislature in the future.

Source: The Advocate, 7/8/08.

NEW MEXICO

New Coordinated Long Term Services Plan Begins in July. A new managed long-term services program that will serve an estimated 38,000 Medicaid recipients in New Mexico is scheduled to begin in selected counties on July 1. Known as Coordinated Long-Term Services, or CLTS, the program is a joint initiative of the New Mexico Aging and Long-Term Services Department and the New Mexico Human Services Department. People living in Bernalillo, Sandoval, Torrance, Valencia, Santa Fe and Los Alamos counties will be enrolled in CLTS during the month of July, and begin receiving services on Aug. 1. CLTS will be implemented in Socorro County and other counties during the next 12 months. "CLTS is designed to address the fragmented mix of institutional, state plan, and home- and community-based services," said Human Services Department Secretary Pamela Hyde. "It also will improve the limited coordination and integration that currently exists across long-term services programs in Medicaid."

CLTS has several goals, including:

- Offer seamless access to a choice of culturally responsive, appropriate and quality long-term services.
- Provide a system of services that minimizes stays in institutional settings by increasing access to less restrictive home- and community-based services.
- Promote improved health status and quality of life and reduced dependency on institutional care.
- Use best practices from other states seeking to improve coordination and reduce fragmentation.

The Aging and Long-Term Services Department will manage the program.

Enrollees are expected to consist of:

- Those who are currently enrolled in New Mexico's Disabled and Elderly waiver program.
- Adults who are receiving personal care services from the Medicaid Personal Care Option program.
- Residents of nursing facilities.
- Individuals who are fully eligible for both Medicare and Medicaid, but who have not yet accessed the system of long-term services in New Mexico.
- Certain qualified individuals with brain injuries.

The cornerstone of CLTS is coordination of care and services. Care coordination that encourages maximum involvement of the consumer/participant in the service planning process will result in more services being available in home- and community-based settings, and decreased dependency on institutional levels of care. Two managed-care organizations — AMERIGROUP and Evercare — have been selected as the contractors to implement this program. Both companies are national corporations with experience managing long-term care services in several states. Both were selected after a review of responses to a Call for Proposals, and both have been active participants in the planning process to develop the program.

Source: Stateline.org, 7/1/08.

OKLAHOMA

State Task Force to Study Cause of Uninsured. House Speaker Chris Benge has launched an initiative this week to assess why Oklahoma leads the country in the number of people lacking health insurance and what measures can be taken to address the issue. State Insurance Commissioner Kim Holland said leaders want to do everything possible to aid the private sector in obtaining a basic health plan for all Oklahomans. This would not be socialized medical care, Holland pointed out, but an endeavor to equip the private sector with the means to obtain basic coverage for employees. According to a report issued in June by the federal Centers for Disease Control, about one-third of Oklahomans younger than age 65 were uninsured. The state is also currently sponsoring a health plan entitled, "Insure Oklahoma," that is intended to help small business owners provide coverage for their employees. Some of the funding that has been set aside has not been claimed by employers who are concerned about possible changes in coverage requirements that they would have to meet. Among the lawmakers appointed to the task force include Rep. Doug Cox, the only physician currently serving in the legislature.

Source: Tulsa World, 7/9/08.

TEXAS

Fewer Texas Physicians Accepting Medicare. Fifty-eight percent of Texas physicians are accepting new Medicare beneficiaries, compared with 90% before 1990, according to a survey by the Texas Medical Association. The proportion of primary care physicians accepting new beneficiaries is 38%, according to the survey. The physicians say treating these patients is no longer affordable because of Medicare reimbursement rates, which have declined by 20% in inflation-adjusted dollars over the last seven years. TMA predicts that the trend will continue unless Congress develops a long-term solution regarding physician reimbursement under Medicare, with debate in Congress continuing over how to eliminate a scheduled Medicare physician payment cut. The cut was originally scheduled to take effect last week, but CMS announced it would process no new claims until July 15, giving Congress a chance to block the measure. If the cut, and an additional 5% cut scheduled for January 2009, take effect, Texas physicians would lose \$860 million treating Medicare beneficiaries over the next 18 months, according to TMA. As reported earlier, the Senate has blocked the cut and that bill now goes to President Bush, who has said he will veto any such measure.

Source: Houston Chronicle, 7/3/08.

UTAH

Study Shows Poverty Level Rising in Utah. While national poverty rates remain steady, studies show an increase in poverty in Utah during the last year. The Utah Community Action Partnership Association released their findings in their Annual Report on Poverty in Utah, showing that while the national poverty rate remains around 13.3 percent, the poverty rate in Utah has climbed to 10.6 percent from 9.4 percent in 2000. This is a trend that has been on the rise since the beginning of the decade, according to the report. "During a time of economic

slowing, this trend is increasingly worrisome," the report stated. The partnership cites Utah's high bankruptcy rate as one of the principle causes of poverty in the state. As high fuel prices, rising food prices and other growing expenses force citizens to live paycheck to paycheck, many are finding themselves without sufficient savings. According to the report, 26.8 percent of Utahans do not have sufficient savings to sustain themselves for three months without income. Another difficulty the report mentions is the percentage of Utahans who cannot afford health benefits. Currently, 10.6 percent of Utahans are uninsured. This rate rose five times faster than the national average between 2004 and 2006. "Lack of health care impedes workers' ability to participate in Utah's growing economy, which contributes to higher health costs for all," the report stated. In addition the rising price of fuel and food, a growing problem exists in Utah's housing market, where the study shows Utahans are spending too much money. The study shows that 38 percent of renters are unable to afford two-bedroom housing at the fair market rate (\$585 a month). "The lack of affordable housing in Utah means that Utahans are either living in substandard housing or are cutting back on other necessities to make ends meet," the report stated.

Source: Brigham Young News, 7/7/08.

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