

Health care groups hope to avoid paying for Medicare cuts

By: Chris Frates

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As the only major health care legislation expected to move through Congress this year, the Medicare bill being drafted by Sen. Max Baucus (D-Mont.) has the health care community furiously lobbying key senators ahead of its introduction.

Consider the action: On April 2, the American Medical Association turned out hundreds of doctors from across the nation to an Upper Senate Park rally before they headed off to urge lawmakers to turn looming Medicare cuts to doctors into increases.

The same day, an association of nursing assistants brought 30 members to Washington to lobby about 50 lawmakers to fend off possible cuts to nursing homes.

In the past month, AARP has gathered more than 175,000 signatures asking Congress to keep Medicare premium increases in check.

And so far this year, more than 25,000 Medicare Advantage beneficiaries have contacted their lawmakers to speak out against possible cuts to their program.

Driving all the action is how to deal with the 10.6 percent Medicare reimbursement cut doctors are facing if Congress fails to act this summer. The AMA is asking Congress to block the cuts and increase doctors' funding over 18 months — a request that has other groups worried that increased doctor funding would come at their expense.

“Everyone out there is looking over their shoulder to make certain that they don't get whacked,” said David Hebert, chief lobbyist for the American Health Care Association. “We're happy to see the doctors get what they deserve, but at the same time, we don't want to pay for it.”

The debate is familiar; Congress had an almost identical one last year. The result? It gave the doctors a small increase and a six-month stay of execution.

“It's a little bit of Groundhog Day, frankly,” said one health care insider.

With Congress often unwilling to make Medicare cuts in an election year, many observers doubt the AMA can push the more costly 18-month fix through the Senate. More likely is a short-term patch that would leave the problem for a new Congress and administration, they said.

One of the most wary groups is America's Health Insurance Plans, a trade group representing 1,300 insurance companies. Last year, the industry dodged a \$54 billion spending cut to private Medicare Advantage plans designed to help fund the physician fix and a children's health program.

The insurance industry helped kill that idea by mobilizing its Medicare Advantage patients to make 250,000 contacts on Capitol Hill, said spokesman Michael Tuffin. The House bill threatened to end the Medicare Advantage coverage for 3 million patients, so the industry's effort to kill the proposal was its "most comprehensive effort to date."

This year's push will depend largely on what Baucus introduces, but so far patients have made 25,000 contacts with lawmakers. And America's Health Insurance Plans anticipates in-district rallies and advertisements, Tuffin said.

The Blue Cross and Blue Shield Association, representing 39 Blue Cross and Blue Shield companies that insure 100 million people, has set up meetings with Senate Finance Committee members and the Medicare Advantage officials from their states, said Alissa Fox, vice president of legislative and regulatory policy.

The association has also given lawmakers district maps showing where their Medicare Advantage beneficiaries live, how the cuts would affect each county and how much premiums might rise, Fox said. The association is also making the case that the plans improve care through prevention and coordination.

This year, the industry isn't being taken on directly by AARP and the AMA. Both groups teamed up last year to support cuts to the Medicare Advantage program to increase funding for doctors and children. So far this year, neither group has promoted cutting Medicare Advantage to pay for the physician fix.

Still, the AMA is pushing hard to reverse the scheduled cuts. In addition to the lobby days it held earlier this month, the group has also taken out inside-the-Beltway print ads and launched a website, www.patientsactionnetwork.org.

The AMA supports legislation sponsored by Sen. Debbie Stabenow (D-Mich.) to give doctors a 1.8 percent increase through next year and block future cuts. At a cost of \$40 billion over five years, Stabenow has acknowledged the bill will have to be scaled back.

Potentially more worrisome for the AMA is its seemingly diminished influence with Baucus, who heads the Senate Finance Committee.

In December, a Senate Democratic aide told the newsletter Inside CMS that "the AMA should be sued for lobbying malpractice. ... We're not talking to them anymore."

Earlier this month, Baucus did not invite the AMA to a meeting of physician groups. Asked if the AMA had a working relationship with Baucus, a spokeswoman said, "I'm just not going to get into this, you know, into this kind of tit-for-tat thing."

"The AMA has been a key player on this issue" and is committed to working with members of the Finance Committee, she said.

A partner with the AMA last year, AARP is now going its own way. The group is pushing Congress not to finance the physician fix with increased premiums for Medicare beneficiaries. In addition to the online petition, the group has taken out ads in Capitol Hill publications and targeted the states of key senators. Television ads also are likely, said AARP spokesman Drew Nannis.

Worried that funding for the physician fix would come at their expense are skilled nursing facilities, which have formed the Coalition to Protect Senior Care.

Lisa Cantrell, president of the National Association of Health Care Assistants and a member of the coalition, brought nursing assistants to Washington to oppose cuts such as President Bush's recommendation to slash \$5.7 billion from nursing homes and assisted-living facilities over five years.

It was important that lawmakers hear from frontline workers who could explain the impact of the funding decreases on patients and their caregivers, Cantrell said.

Joining Cantrell's group in opposing cuts are fellow coalition members the American Health Care Association and the Alliance for Quality Nursing Home Care.

So far, skilled nursing facilities are not on the hit list, said Hebert of the American Health Care Association. But that could change anytime. As the old saying goes, "Just because I'm paranoid doesn't mean I'm not being followed," he said.

The nursing facilities are fighting a two-front war. An administration regulation could cut as much as \$4.7 billion over five years. And another proposed cut from Congress could be devastating, said Alan Rosenbloom, president for the Alliance for Quality Nursing Home Care.

The alliance, representing 16 of the nation's largest skilled nursing providers, has lobbied Congress, reached out to member-company employees and hired an analytic consulting firm to prepare substantive policy arguments, Rosenbloom said.

The main event may be the doctor fix, but the Medicare bill also offers opportunities for other interests.

The National Community Pharmacists Association is pushing for quicker Medicare reimbursements to community pharmacists — a move the Congressional Budget Office estimated would cost \$40 million a year, said association spokeswoman Lisa Camooso Miller.

The Pharmaceutical Care Management Association opposes the bill, saying it will cost \$3 billion over 10 years. Speeding up payment will make fraud harder to catch, said its president, Mark Merritt.

The association is working to include an initiative of its own in the bill. Called e-prescribing, it would require doctors to use computers to look up a patient's health insurance to see what drugs are covered. The doctor and patient would then be able to weigh effectiveness and affordability before e-mailing the prescription to the pharmacy. The measure would reduce medical errors and save money, Merritt said.