

REPORT OF THE COUNCIL ON GOVERNMENTAL ACTIVITIES

A-2011

Subject: Annual Report

Presented by: S.A. Dean Drooby, MD, Chair
George Caldwell, MD, Vice-Chair
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INTRODUCTION:

The Council on Governmental Activities reviews federal legislation and regulations of concern to the medical profession or the health care industry, and initiates activities or undertakes appropriate responses on matters of priority interest, consistent with OSMA established goals and policy. It also establishes and maintains relations with federal government entities having statutory or regulatory jurisdiction affecting the medical profession, the delivery of health care, or public health. In cooperation with any other Association councils and committees, it communicates with the medical profession, develops policy recommendations for consideration by the Board of Trustees, prepares testimony, and otherwise conducts the federal legislative program of the Association. The activities of the Council are guided by the Association's Annual Program of Activities as defined and interpreted by the Board of Trustees.

REVIEW OF 2010 ACTIVITIES:

The 2010 AMA National Advocacy Conference (NAC) was held February 8-10, 2011 in Washington, DC. The AMA NAC provides leaders of the medical community from around the country the opportunity to gather and receive the latest information on various political and advocacy issues of interest to physicians and their patients. Representing the OSMA in 2010 was K.A. Mehta, MD, OSMA President-Elect; Dean Drooby, MD and George Caldwell, MD, Chair and Vice-Chair of OSMA's Governmental Activities Council. Also in attendance from Oklahoma were Mary Anne McCaffree, MD, AMA Board member; Robert McCaffree, MD, OSMA Secretary-Treasurer, and Larry Bookman, MD, 2010 President of Oklahoma County Medical Society. OSMA Executive Director Ken King and Associate Executive Director Kathy Musson also attended the conference.

The conference focused on the main legislative issues for physician and patients regarding Medicare Reimbursement issues, Medical Liability Reform and overall health care reform.

As in previous years, Oklahoma attendees, along with OSMA Federal Lobbyist John Montgomery, made "House Calls" with all members of the Oklahoma Congressional Delegation. The top priority for 2010 was asking for their support to stop physician payment cuts which were scheduled for 2010. The OSMA physician delegation also reiterated opposition to further short-term patches that serve to make future cuts more severe and reform even more costly and asked them to permanently replace the flawed Sustainable Growth Rate (SGR) formula with a new update formula based on medical practice cost increases.

REVIEW OF 2011 (First Quarter) ACTIVITIES:

The 2010 AMA National Advocacy Conference (NAC) was held February 8-10, 2011 in Washington, DC. Representing the Oklahoma State Medical Association was President K.A. Mehta, MD. Also in attendance from Oklahoma was Mary Anne McCaffree, MD, AMA Board of Trustees member; Robert Block, MD, President-elect of the American Academy of Pediatrics; and Robert Cooke, MD, 2011 President of Oklahoma County Medical Society. OSMA Executive Director Ken King, Associate Executive Director Kathy Musson, and Director of State Legislative Affairs Wes Glinsmann also attended the conference.

The conference provided leaders of the medical community from around the country the opportunity to gather and receive the latest information on various political and advocacy issues of interest to physicians and patients. As in previous years, Oklahoma attendees, along with OSMA Federal Lobbyist John Montgomery, made "House Calls" to the Oklahoma Congressional Delegation and had an opportunity to personally visit with all of Oklahoma's U.S. Senators and Representatives.

The primary message to Congress was to reiterate OSMA's opposition to further short-term patches that have made Medicare physician payment cuts more severe and reform even more costly; and to ask Congress to permanently replace the flawed Sustainable Growth Rate (SGR) formula with a new update formula based on medical practice cost increases.

In addition, the OSMA delegation discussed concerns about various provisions in the recently enacted health care reform legislation called the "Affordable Care Act". The physician contingent also asked the Oklahoma delegation to support the "Healthcare Truth and Transparency Act of 2011" recently introduced by Oklahoma Representative John Sullivan. This legislation will ensure that patients have accurate information regarding the education, training, and qualifications of individuals providing their health care services.

OSMA physicians discussed the need for national medical liability reform. While Oklahoma had significant success in reforming Oklahoma's lawsuit abuses over the past two years, the OSMA also remains committed to reforming our medical liability system at the national level to make it more fair and just for patients, physicians, and other health care providers. OSMA urged our delegation to support the "Help Efficient, Accessible, Low-cost, Timely Healthcare Act" (HEALTH) legislation as recently introduced by Representatives Phil Gingrey and Lamar Smith.

FEDERAL LEGISLATIVE ISSUES:

Attached to this report is a copy of the 2011 Federal Legislative Agenda. The 2011 issues include Medicare Physician Payment Reform, Health System Reform & Access to Care, Medical Liability Reform, Healthcare Truth and Transparency Act of 2011, and Clinical Quality Improvements and Patient Safety. A brief summary of the most recent congressional action on some of these important issues is included in this report; however due to the rapidly changing health care environment, Delegates are encouraged to watch for OSMA advocacy alerts or check OSMA's website at www.okmed.org or for updated information on these important topics.

MEDICARE PHYSICIAN PAYMENT CUTS:

Oklahoma seniors can face significant challenges obtaining access to physicians. These challenges will get much worse unless Congress acts very soon to prevent steep cuts in Medicare payment rates. At just 13 practicing physicians per 1,000 Medicare beneficiaries, Oklahoma is well below the national average. Fifteen percent of Oklahoma residents are living in a primary care shortage area, and 30 percent of the state's Medicare beneficiaries are living below 150 percent of the federal poverty level.

On January 1, 2012, Oklahoma Medicare physician services face an across-the-board pay cut of 27 percent, due to a flawed payment formula, the Sustainable Growth Rate (SGR), created by Congress. Congress needs to avert these cuts and begin working toward a long-term solution which will eliminate this annual crisis. During the 12 months from January through December, 2012, SGR legislation would prevent a loss of \$260 million for the care of elderly and disabled patients in Oklahoma. 31,552 employees of medical practices, 597,248 Medicare patients and 167,430 Tricare patients in Oklahoma will be helped by the legislation that averts these cuts. Compared to the rest of the country, Oklahoma, at 16 percent, has an above-average proportion of Medicare patients. 47 percent of Oklahoma's practicing physicians are over 50, an age at which surveys have shown many physicians consider reducing their patient care activities.

HEALTH SYSTEM REFORM:

National health care system reform has been a major topic for the past few years. Beginning with the last presidential election, Democrats and Republicans have taken very different stances on this issue. The 111th Congress, driven by efforts of President Barack Obama and his administration made enactment of comprehensive health system reform their top domestic priority. GOP representatives have continued to attempt to repeal the national legislation and introduce free-market solutions to address the rising health care costs allowing patients to have more control over their health care rather than rather than the current initiatives for a stronger role for government. Although this intense focus on health care issues should have presented an historic opportunity for physicians to address many of the problems they confront in their daily efforts to provide high-quality care to their patients, it actually raised very legitimate concerns that well-intentioned but poorly informed policy decisions made in the short-term could have long-term consequences for patients and for physician practices.

The physicians and patients within Oklahoma feel that the Affordable Care Act (ACA) which was passed in 2010 is deeply flawed and is not in the best interests of Oklahomans. OSMA fully support the efforts to file suit on behalf of the State of Oklahoma to stop implementation of ACA and urges Congress to continue their efforts to repeal this flawed legislation. The OSMA supports reforms to make a more efficient, effective and accountable health care system for Oklahoma patients and efforts to solve the health coverage crisis for all uninsured patients. We also support the right to privately contract for physician services without third party interference or penalty. We also support initiatives that expand health insurance coverage through tax credits and insurance market reforms and the move toward a system of individually-owned health insurance.

1 During these times, it remains extremely important for physicians to join in the debate and
2 become active participants in the political process. Several letters to the Oklahoma
3 Congressional Delegation have been sent over the past year expressing OSMA's concerns about
4 some of the provisions included in the health care reform which was enacted.

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6 **HEALTHCARE TRUTH AND TRANSPARENCY ACT:**

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8 The OSMA strongly supports this legislation which was introduced by Representatives John
9 Sullivan (Tulsa) and David Scott as it is an important step toward ensuring that patients have
10 accurate information regarding the education, training, and qualifications of individuals
11 providing their health care services. This legislation provides much needed resources and
12 clarifications to address patient confusion in the health care marketplace. Also included are
13 provisions that add modest, yet critically important, increases in resources to marketplace
14 regulators, as well as enhanced transparency requirements regarding medical care.

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16 **SUMMARY:**

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18 The Council on Governmental Activities plans to meet on an as needed basis throughout the
19 year. The OSMA has a close working relationship with the members of the Oklahoma
20 Congressional Delegation on federal issues of importance to physicians and their patients and
21 vows to continue to work with both state and federal representatives to improve the quality of the
22 health care system and to ensure Oklahoma patients' access to affordable care. The OSMA
23 executive staff will continue to coordinate federal legislative activities with OSMA's lobbyist
24 John Montgomery and to dialogue with the AMA's Washington, DC staff regarding federal
25 issues affecting health care.

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27 **RECOMMENDATIONS:**

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29 The Council on Governmental Activities encourages all physicians to become involved in
30 grassroots efforts to get to know their U.S. Senators and U.S. Representatives personally and to
31 call on them when critical issues arise in Congress. For reference, a complete listing of the
32 Oklahoma Congressional Delegation is attached to this report. OSMA physicians are
33 encouraged to respond to OSMA blast fax legislative alerts as needed. In addition, the Council
34 urges all OSMA members to contribute to the Oklahoma Medical Political Action Committee
35 (OMPAC) and the American Medical Political Action Committee (AMPAC) as your
36 involvement enhances their ability to elect and support pro-medicine candidates at the state and
37 federal levels.

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39 Respectfully submitted,

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41 S.A. Dean Drooby, MD, Chair

42 George Caldwell, MD, Vice-Chair

43 Kathleen A. Musson, CAE, Associate Executive Director