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Federal Legislative Update

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Tax Extenders Bill: FMAP Extension and SGR Fix

This afternoon, the Senate extracted the Sustainable Growth Rate (SGR) “fix” provision from the *American Workers, State and Business Relief Act of 2010* (HR 4213) and passed it by unanimous voice vote as a separate measure. This version of the SGR would last for six months and be fully offset. Even with this change, Medicare physician payment rates are scheduled to be reduced by more than 20 percent starting today because the US House of Representatives will not return to consider this or other legislation before the evening of June 22. If approved by the House, the six-month delay would reverse the reduction and provide a 2.2 percent increase to physician payment rates through Nov. 30, 2010.

Since the House is not scheduled to hold any floor votes until next Tuesday evening, the Centers for Medicare and Medicaid Services (CMS) is instructing its carriers today to implement the 21 percent rate cut. If the SGR fix is passed by the House and signed by the President, CMS has stated that any June claims that have been paid will be retroactively adjusted upward.

Future Senate consideration of the remaining “tax extenders” package, HR 4213, is uncertain. At this time, the bill includes a six-month extension of the federal medical assistance percentage (FMAP) to states through June 2011 at a cost of \$24.2 billion. This provision has been labeled emergency spending and is not offset.

Debate resumes in the Senate next week, and additional amendments are expected. The Academy will continue advocating for the FMAP adjustment to remain in the Senate’s final tax extenders bill and in any House package.

Global Launch of Helping Babies Breathe Includes Capitol Hill Briefing

[Helping Babies Breathe](#) is a new global public-private initiative of the AAP, in consultation with the World Health Organization (WHO), and in collaboration with the United States Agency for International Development (USAID), the Eunice Kennedy Shriver National Institute of Child Health and Human Development (NICHD), Save the Children/Saving Newborn Lives, Laerdal Medical AS, and a number of other global health organizations.

WHO estimates that 1 million babies die each year from birth asphyxia, or the inability to breathe immediately after delivery. Approximately the same number of stillbirths each year are linked to events during labor. A significant percentage of these may be liveborn babies who simply do not breathe or move at birth, but could be resuscitated with simple measures. Helping Babies Breathe [launched](#) this month, and should have a dramatic impact on reducing infant mortality worldwide.

A series of events to unveil the global initiative took place in Washington, DC this week. On Wednesday, a legislative briefing on the initiative was held on Capitol Hill. AAP President-Elect O. Marion Burton, MD, FAAP, and editor of the Helping Babies Breathe curriculum Susan Niermeyer, MD, MPH, FAAP, presented during the briefing for Capitol Hill staff. Academy leadership also met with members of Congress on the initiative. AAP Executive Director Errol Alden, MD, FAAP, led the collaborators of Helping Babies Breathe in signing a Global Public-Private Alliance to launch the initiative as part of the annual meeting of the Global Health Council this week.

Health Reform Implementation: New Investments in Primary Care Workforce

On Wednesday, US Department of Health and Human Services Secretary Kathleen Sebelius [announced](#) a series of new workforce investments authorized in health reform. These investments, totaling \$250 million, are designed to strengthen the primary care workforce by increasing the number of physicians and other health care providers. The new investments will support the training and development of more than 16,000 new primary care providers over the next five years, and are the first allocation from the new \$500 million Prevention and Public Health fund for fiscal year 2010, created by the Affordable Care Act.

Of the \$250 million, \$168 million will be used for opening up training slots for 500 new primary care physicians, and \$5 million will help states plan and implement strategies to expand their primary care capacity during the next ten years. A fact sheet on the primary care workforce investment from health reform can be found at: <http://www.healthreform.gov/newsroom/primarycareworkforce.html>.