



October 22, 2009

Dear Doctors for America member,

As both the full House and full Senate prepare to take up health reform legislation, the policy debate continues to narrow to a few key issues. The fervent debate around these issues is likely to play an important role in determining whether Congress enacts reform this year. These weekly updates will continue to follow these issues as well as the involvement of physicians and medical students in reform efforts.

New, this week, listen to these updates every week on iTunes. Subscribe for free [here](#).

Physicians Making A Difference:

Highlights from the last week

- Dr. Hal Braun (MT) distributed an action handout to hundreds who attended two talks in Missoula past NEJM editor and reform advocate Marcia Angell.
- Dr. Arun Patel (CA) spoke on a panel on health reform, sponsored by the League of Women Voters, in Freemont.
- Dr. Renaisa Anthony (DC) is helping coordinate a hearing on Capitol Hill held by Rep. Sheila Jackson-Lee to focus attention on the experience of patients in our broken health system. If you will be in DC between 9am and 1pm on the 27th and want to be involved, please contact us.
- Dr. Delaney Ruston (WA) produced a [video](#) highlighting Doctors for America and our cause.
- Dr. Gary Gibson (OH) published an [op-ed](#) in the Youngstown Vindicator and contributed to a medical [blog](#).
- Dr. Nancy Babbitt (SD) spoke on a [conference call](#) with Senator Tim Johnson. She and other South Dakota physicians also organized a [free clinic](#) day, scheduled for Nov. 21.
- Dr. Anand Narayan (MD) organized a phone bank on 10/21 at Johns Hopkins University where 27 volunteers generated 672 calls and 116 commitments from people to call Congress.
- Dr. Nathan Boddie (OR) appeared on [ABC](#) in to talk about health reform
- Dr. Nikhil Wagle (MA) joined Rep. Ed Markey at a [townhall meeting](#), this time in Natick.
- Dr. David Baughan (WA) appeared on TCTV in Olympia while Dr. Sidney Schwab (WA) participated in a panel of

Key Policy Developments

1. Prospects for a Public Option

As both the House and Senate leadership continue work, this week, to bring reform legislation to the floor based on approved committee bills, much attention remains on the prospects for inclusion of a public insurance option.

Discussions in the House this week focused on three versions of a reform bill, all of which include a form of a public option. The Congressional Budget Office (CBO) provided cost estimates of the three bills this week, all of which were found to cost less than the \$900 billion target set by the President.

The House bill with the smallest price tag (\$871 billion over 10 years while also reducing the deficit) has a public option in which Hospitals would be reimbursed at Medicare rates and physicians at Medicare rates plus 5 percent. This version of is opposed by many conservative Democrats from rural areas, where Medicare rates are below the national average.

A second bill (with a cost of \$895 billion over 10 years) has a public option in which the Secretary of Health and Human Services negotiates rates directly with providers, as private plans do. To offset the costs of higher reimbursement rates, this version of the public option expands Medicaid by 7 million people and reduces the value of the basic benefit plan by about 2%.

In a third "hybrid" version the public option rates would start out negotiated but switch to rates 5% higher than Medicare rates if the market under negotiated rates didn't achieve sufficient savings. This version was also scored at \$895 billion over 10 years.

At last count, House leaders estimate that they had the 218 votes necessary to pass a bill that includes a public option.

In the Senate, several versions of a public option are currently being discussed, though it remains unclear if a public option will be included in the combined bill. These include a trigger



health reform in Issaquah.

- Dr. Scott Poppen (UT) appeared on ABC to debate the merits of health reform.

- Dr. Becky Jones (VT) published a letter in the [Brattleboro Reformer](#)

Top 3 Stories

- Time - [Is There a Better Way to Pay Doctors?](#)
- Reuters - [Congress Targets Insurance Antitrust Exemption](#)
- NEJM - [Three Years in, Physician View Reform in Massachusetts Favorably](#)

What you can do this week

Set up a visit with your members of Congress

At Doctors for America we believe, fundamentally, that physicians and medical students should have direct input into the future of our health system.

Most members of Congress have not heard from practicing physicians and medical students.

Setting up a visit with your legislators can have a profound and direct impact on their stances on health reform.

Take a look at our [legislator visit guide](#) and let us know how we can help.

that would create a public option if insurers fail to rein in costs, a national plan that states could opt out of, or individual optional state-based public plans. A bill containing a public option would likely require 60 votes to pass. Senate Majority Leader Harry Reid (D-NV) has said he does not currently have the votes in his own caucus to ensure passage of such a bill.

Ultimately, the final Congressional bill will be a compromise of the two bills that come out of the Senate and House.

2. SGR Vote Fails

The Senate [voted](#), Wednesday, to discontinue discussion on a stand alone bill to repeal the Medicare Sustainable Growth Rate (SGR). The procedural vote required 60 votes to pass. It received 47 votes. Prior to the vote, Senate Majority Leader Harry Reid (D-NV) took to the Senate floor to bemoan the lack of Republican support for the bill, which would permanently prevent yearly cuts to physician payments that are now avoided every year by last-minute Congressional action. The Senate Finance contains a one-year fix of the SGR by replacing the planned 21.5% cut with a 0.5% payment increase for 2010, at a cost of about \$11 billion.

Senators Kent Conrad (D-ND) and Chuck Grassley (R-IA) have proposed a two-year fix which would cost \$24 billion. They are currently looking for offsets for the cost of such a bill. Sen. Reid also stated his commitment to working for a permanent fix to the SGR after health reform passes.

3. Health Industry Antitrust Legislation Advanced

The House Judiciary Committee took aim at the insurance industry by approving the Health Insurance Industry Antitrust Enforcement Act of 2009. The legislation would allow the Justice Department to enforce anti-trust laws prohibiting price fixing, bid rigging, and market allocations. The Committee adopted the bill by a vote of 20 to 9, with three Republicans joining 17 Democrats in favor of the measure. The Senate Judiciary Committee has yet to act on similar legislation. Although legislation to scale back the limited antitrust exemption the insurance industry has enjoyed since 1945 has been introduced in Congress before, current efforts are seen as more likely to pass as the health reform debate brings increasing attention to insurance industry practices. The reform also enjoys an unusual level of [support and engagement](#) from the president.

Thank you again for your feedback and for all you've been doing to make the voice of physicians part of health reform.

Sincerely,
Milan de Vries and the Doctors for America Team