

Dateline|Washington

prepared by the Division of Advocacy and Health Policy

House makes progress on liability reform

The College continues to strongly support H.R. 4600, the HEALTH (Help Efficient, Accessible, Low Cost, Timely Health Care) Act of 2002. This legislation mirrors medical liability reforms enacted in California in 1975, including a \$250,000 cap on noneconomic damages. Also among the provisions, the bill would impose a three-year statute of limitations, require proportional damages among defendants, modify the collateral source rule, allow for periodic payments of future damages, and impose limits on attorneys' fees.

At press time, the House Judiciary Committee had approved H.R. 4600 with only minor changes. The legislation was expected to move to the House Energy and Commerce Committee, which shares jurisdiction over the issue, and then to the House floor before Congress adjourns in October.

College continues push for Medicare fix

With additional cuts in Medicare reimbursement looming, the College continues to urge both Congress and the Administration to make appropriate changes to the Medicare reimbursement formula. Over the summer, the College and the rest of the physician community successfully persuaded the House to pass legislation that would provide a payment update of 2 percent in 2003. Currently, the Centers for Medicare & Medicaid Services (CMS) are predicting a 4.4 percent decrease in the conversion factor. The House package also would include positive updates in 2004 and 2005.

The College is working with other specialty societies to encourage the Senate to draft a more generous package. The best-case scenario that is likely to be achieved before the 107th Congress adjourns is a temporary fix in the payment formula, because of the extraordinary cost estimates associated with enacting a permanent solution. Experts predict that Congress will not be able to complete action on many key issues, including Medicare reforms, before the November elections. Consequently, a lame-duck session in December is predicted.

College comments on proposed fee schedule

On August 27, the College submitted comments to CMS on changes the agency proposes to make in physician fee schedule payment policies for 2003. The College applauded a proposal to revise the productivity adjustment to the Medicare Economic Index (MEI), but was critical of CMS's failure to make several changes in the methods and numbers used to calculate the sustainable growth rate and the Medicare payment updates. The College also suggested that CMS seek new money from Congress to apply to the malpractice portion of the fee schedule in order to more accurately reflect the escalating costs of liability insurance. Finally, the College supported the agency's plan to remove noninvasive vascular diagnostic study codes from the so-called zero physician work pool, which would produce higher payments for these services.

Final CMS decisions about Medicare physician payment policies for 2003 are scheduled to be issued by the agency no later than No-

vember 1. The full text of the College's comments on the proposed rule may be viewed online at <http://www.facs.org/dept/hpa/views/medicare2003.html>.

Fellows respond to AHRQ request for comments

On August 26, the Agency for Healthcare Research and Quality (AHRQ) requested public comment on preliminary quality measures to be listed in its "National Healthcare Quality Report" to Congress. A number of Fellows reviewed and offered observations on the proposed measures. These comments focused on the weaknesses of the clinical sets (cancer and patient safety/complications of care) and the emphasis on using billing data to populate those measures. The College also expressed concern about the dearth of risk-adjustment information and the apparent lack of awareness within the agency regarding the National Cancer Data Base—an excellent tool to monitor cancer outcomes. Finally, a group of Fellows has been activated to provide input regarding the process, clinical reliability of the measures, and the accuracy of the data sets that AHRQ plans to use for the measures.

Trauma-EMS stakeholders meet in Washington

On September 9-10, the National Trauma Systems/Emergency Medical Services (EMS) Program held a National Stakeholder's Committee meeting in Washington, DC. The meeting included members of the trauma and EMS community and several key staff from the Health Resources Services Administration, Centers for Disease Control and Prevention, and National Highway Traffic Safety Administration. The committee received an update from Cheryl Anderson, the National Trauma Systems/EMS Program Director, detailing the current status of the fiscal year 2002 state planning grants. Forty-six states and four territories received individual grants of roughly \$40,000 to assist in the development of a comprehensive trauma system or augmentation of current systems already in place. The group also discussed ongoing efforts to revise the *Model Trauma Care Plan*, first drafted in 1992.