



## **WHAT CMA DID FOR PHYSICIANS IN HEALTH CARE REFORM**

- CMA amendment requires health plans to direct 85% of revenues to direct patient care.
- CMA amendment prohibits insurance companies from rescinding insurance when a patient becomes ill.
- CMA amendment requires health plans to have adequate provider networks.
- CMA strongly advocated for affordable universal access to care for California's low-income uninsured.
- CMA advocated for expansion of private insurance coverage vs. Medicaid. Two-thirds of those eligible under the bill will go into private coverage.
- CMA vigorously promoted a Medicaid payment increase to accompany any Medicaid coverage expansion to ensure Medicaid patients have access to all physician specialties. The final bill provides a rate increase for primary care physicians up to Medicare levels.
- CMA successfully advocated for 100% federal financing for the Medicaid expansion and the Medicaid rate increase to reduce the burden on the state of California.
- CMA opposed a public option that mandated physician participation and paid Medicare rates. The public option was dropped from the bill.
- CMA successfully argued for state-based health insurance exchanges rather than one national exchange of private health plan choices.
- CMA fought for an additional Medicare payment increase for primary care physicians on top of a rate increase for all physicians to bolster primary care in California. Primary care received a 10% increase annually for 5 years (2011-2016).
- Initially, the bills included a ban on balance billing and out-of-network care. CMA successfully fought to maintain the right for patients to seek care from the physician of their choice outside of health plan networks. There is no federal preemption of California's balance billing prohibition in the final bill.
- CMA successfully fought efforts by the Midwest rural states to implement a "value index" payment system that would have reduced payments to California physicians by up to 15%. The Midwest states claim they are more efficient users of Medicare resources than California and therefore, they should receive bonuses and California payments should be reduced. CMA amendments were accepted in the House and Senate bills that ensure that any Medicare adjustments in payment must account for California's higher practice costs

(rent and wages) and socioeconomic factors (race/ethnicity, income, health status, rate of uninsured) that drive up practice costs. AMA represents physicians in all states so CMA had to fight this battle.

- CMA successfully fought amendments by rural states to reduce Medicare payments in California for geographic practice costs by up to 8%. CMA amendments were accepted in the Senate and require California doctors be held harmless from cuts until a study of geographic practice costs can be performed. AMA represents physicians in all states, so CMA had to fight this battle.
- CMA opposed the provision to allow nurse practitioners to lead medical homes. Although we were unable to remove that provision entirely, we were able to maintain the language that leaves it to state scope of practice laws. California law prohibits a NP from running a medical home.
- CMA helped to eliminate a provision that would have banned existing physician-owned hospitals. The final bill did, however, contain a ban on future physician-owned hospitals, which will go into effect on December 21, 2010.
- CMA won a series of amendments to protect and ensure the accuracy of physician information in quality reporting programs. Based on California's experience, CMA worked with AMA to achieve amendments that require the physician data be statistically valid (most individual physicians do not have enough patients to make the data statistically significant); the attribution methodology to be correct; the information risk-adjusted; that physicians have the right to review their data before it is finalized or made public; that CMS have appropriate systems to produce accurate physician information – among many other amendments. Additional clean-up legislation is needed.
- CMA amendment ensured that physicians forming Accountable Care Organizations do not need to include a hospital within the organization. CMA advocacy also promoted that physicians keep a substantial portion of any savings achieved in their region.
- CMA worked with AMA to eliminate a 5% Medicare penalty on physician utilization outliers.
- CMA worked with AMA to eliminate the \$350 Medicare participation fee for doctors.
- CMA worked with AMA to push back the penalties for nonparticipation in Medicare's Physician Quality Reporting Initiative (PQRI) until 2014.
- CMA and AMA opposed the cosmetic surgery tax and it was eliminated.
- CMA strongly urged that Medicare increase the number of physician residency training slots overall to increase physician supply and improve access to care. The final bill redistributes current unused residency slots for primary care and general surgery.

- CMA won amendments that require a uniform Medicare prescription drug appeals form and process.
- CMA joined the chorus in opposition to the Cadillac health plan tax on high-end benefits because it disproportionately harms California's employers and individual purchasing insurance. The tax was delayed until 2018.
- CMA fought to eliminate the Medicare Advantage Private-Fee-for-Service plans by equalizing Medicare Advantage payments with Medicare FFS payments. MA plan rates will be cut by \$130 billion. However, plans that meet certain quality standards may qualify for bonuses.
- CMA amendment included in the House bill that would have allowed medical groups to contract directly with Medicare on a capitated basis to avoid some of the Medicare Advantage cuts. Unfortunately, this was not included in the final bill.

### **CMA UNFINISHED BUSINESS:**

CMA will continue to vigilantly press Congress to address the following issues immediately:

1. Repeal the Medicare SGR.
2. Eliminate the Independent Medicare Payment Advisory Board.
3. Update the California Geographic Payment Localities (GPCI).  
CMA won amendments in the House bill that would have implemented a Medicare payment locality update resulting in \$300 million in increases for physicians in 14 California counties. This was not included in the final Senate bill. CMA is working to include it in the Medicare SGR Repeal bill expected to run later this year.
4. Increase Medicaid Rates for All Physician Specialties.  
CMA advocated for an increase for all physicians participating in Medicaid. The House bill gave all physicians an E&M increase. The final bill increased E&M and immunization payment rates only for primary care specialties up to Medicare levels.
5. Improve the Quality Reporting Programs.
6. Prevent additional physician liability exposure.  
CMA amendments to protect physicians from potential additional liability exposure due to new practice guidelines or payment programs in the bill were included in the House bill but not in the final bill. Clean-up legislation is promised.