# POLICY & PRACTICE

## **Monitoring the CAP Program**

Members of Congress recently voted to keep an eye on how Medicare's Competitive Acquisition Program (CAP) is running. As part of the year-end omnibus tax and health care bill (H.R. 6111), Congress established a postpayment review process for CAP, a program under which physicians are paid for administering certain Part B drugs and biologics but do not take on the financial risk of purchasing the drugs. For 2007, only one vendor, BioScrip, has been chosen by the Centers for Medicare and Medicaid Services to par-

ticipate in CAP. The review program mandated by Congress will be aimed at ensuring that when Medicare pays for a drug or biologic, it has actually been administered to the beneficiary.

#### **Von Eschenbach Confirmed for FDA**

Almost 9 months after he was first nominated to be commissioner of the Food and Drug Administration, Dr. Andrew von Eschenbach was finally confirmed by the Senate by an 80-11 vote in the final hours of the 109th Congress. Confirmation came after an 89-6 vote to limit de-

bate on his nomination. The naysayers included Sen. Chuck Grassley (R-Iowa), who voted against invoking cloture and against confirmation. Sen. Grassley has been one of Dr. von Eschenbach's most vocal critics. Sen. Grassley, as chairman of the Finance Committee, and his staff have been investigating what they call an inappropriate approval of the antibiotic Ketek (telithromycin). Sen. Grassley maintains that Dr. von Eschenbach has stonewalled committee investigators, and in an agitated floor statement during the nomination vote, the senator accused Dr. von Eschenbach of hiding documents and intimidating FDA employees who dissented. With the Democrats' taking control of Congress, Sen. Grassley will lose his Finance Committee chairmanship. But he warned his colleagues across the aisle that Dr. von Eschenbach was a prime illustration of concerns about the lack of Senate oversight of the Bush administration. "I believe we need to send a message to the executive branch that it's not okay to impede congressional investigations. It's not okay to limit the Senate's access to documents, information, and employees of the executive branch," Sen. Grassley said.

#### **Arthritis Researcher Honored**

The Arthritis Foundation has awarded the 2006 Lee C. Howley Sr. Prize for Research in Arthritis to Dr. Gary Firestein of the University of California, San Diego. The award recognizes researchers whose work over the past 5 years represents a significant advance in understanding, treating, and preventing arthritis and other rheumatic diseases. Dr. Firestein, chief of rheumatology, allergy, and immunology at UCSD, is currently studying how the central nervous system affects immune responses and joint inflammation. That work is being funded by the Arthritis Foundation.

## **Medicare Advantage Costs More**

If the incoming Democrat Congress is looking for funding to expand the Medicare drug benefit, Medicare Advantage may be a ripe target, according to an analysis from the Commonwealth Fund. Researchers at the Commonwealth Fund estimate that in 2005 the federal government paid private Medicare managed care plans, known as Medicare Advantage plans, an average of \$922 more per enrollee than comparable beneficiaries would cost under the traditional fee-forservice program, for a total of \$5.2 billion. "Medicare should carefully examine whether extra payments to Medicare Advantage plans are the best use of dollars for the beneficiaries the program is designed to serve," Commonwealth Fund President Karen Davis said in a statement.

# NIH Reform Act

Congress reauthorized the National Institutes of Health at the end of last year, calling for the creation of a new agencywide electronic reporting system to track all NIH research activities. The reauthorizing legislation, the National Institutes of Health Act of 2006 (H.R. 6164), was expected to be signed by President Bush at press time. It also limits the overall size of the agency to the current 27 institutes and centers and creates a process for reevaluating the structure of NIH at least once every 7 years. These changes will help to increase transparency and strategic planning at the agency, Rep. Joe Barton (R-Texas), outgoing chair of the House Committee on Energy and Commerce, said in a statement. "The legislation preserves the core authorities of NIH, while adding new tools to maximize NIH's effectiveness," Dr. Elias A. Zerhouni, NIH director, said in a statement. "Congress has taken an important step towards modernizing the operation of NIH, in conformance with a new era of science.

