IMPLEMENTING HEALTH REFORM

Payment Advisory Board Is Not a Physician Favorite

Tucked within the Affordable Care Act is a provision aimed at reining in health care spending. The provision creates the Independent Payment Advisory Board (IPAB), a panel of 15 experts charged with slowing the growth of Medicare and private health care spending, as well as improving health care quality. By law, the board's recommendations will take effect unless Congress enacts its own cost-cutting plan that achieves the same level of savings. The board isn't expected to submit its first recommendations to Congress until 2014, but already the medical community is crying foul.

Dr. J. Fred Ralston Jr., president of the American College of Physicians, explains some of the issues with the board.

OB.GYN. NEWS: Everyone agrees that something needs to be done to control health care spending, so why is the IPAB so unpopular with physicians?

Dr. Ralston: The ACP is supportive of the general concept of an entity such as the IPAB. We believe that making complex Medicare payment and budgetary decisions is very difficult within a political process with substantial lobbying pressures, and that a knowledgeable, independent board serving this role would have some protection from this influence.

Many physician and other provider groups are opposed to this provision because a significant amount of influence is removed from the accessible, elected congressional body by the legislation. The sense is that too much congressional authority is removed, resulting in a situation in which there will be inadequate opportunity for physicians and other health care providers to express their point of view and influence the actions taken.

OB.GYN. NEWS: How does the IPAB differ from other bodies like the Medicare Payment Advisory Commission (MedPAC)?

Dr. Ralston: The IPAB, a body whose members must be appointed by the president and confirmed by the Senate, is provided with the authority to have changes made by the Secretary [of Health and Human Services] to the Medicare system to reach a budgetary target. The IPAB-recommended changes will take effect unless Congress passes legislation that meets the same budgetary target. Even if Congress passes such legislation, that legislation can be vetoed by the president and the IPAB recommendation would still take effect.

MedPAC, as an advisory commission, can only make recommendations, which Congress can choose to enact or not. It has no direct authority to implement change, which differs significantly from the IPAB.

OB.GYN. NEWS: The ACP and other medical societies have called for changes to how the IPAB is structured. What changes would the ACP like to see?

Dr. Ralston: The college would like to see the following changes:

- A requirement for inclusion of a primary care physician on the IPAB.
- Stronger protections to ensure that recommendations to decrease expenditures do not result in decreased quality.
- The authority for Congress to reject the implementation of IPAB recommendations with a majority vote, which maintains a reasonable influence in the hands of the elected body.
- Equal distribution of risk for budgetary reductions among all health care providers. Hospitals and certain other provider groups, for example, hospices, are protected from budgetary reductions over the first several years of the legislation, placing physicians at increased risk of being required to take reductions.

IPAB recommendations will take effect unless Congress passes legislation that meets the same budgetary target.

DR. RALSTON

OB.GYN. NEWS: What elements of the IPAB does the ACP favor?

Dr. Ralston: As mentioned above, the concept of providing a knowledgeable body with some protection from undue influence.

OB.GYN. NEWS: If Congress eliminated the IPAB, how could it achieve comparable health care savings?

Dr. Ralston: The college believes that the [Affordable Care Act] sets a foundation for many changes that can lead to increased savings. This includes the piloting of integrative payment models that reward efficiency and effectiveness, as opposed to the current system that rewards only volume. These models include accountable care organizations, increased bundled payments, and gain-sharing arrangements, among others.

Furthermore, data from ongoing demonstrations of the patient-centered medical home care model, which fosters increased care coordination and improved treatment of chronic conditions, indicate a high potential to reduce cost and improve quality.

Finally, the increased development and dissemination of comparative effectiveness information to help inform the decisions of patients in consultation with their physicians also has the potential to significantly reduce costs while improving, or at least maintaining, quality. ■

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POLICY & PRACTICE

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States Seek to Restrict Abortion

During the first half of 2010, lawmakers had introduced measures in 18 states to limit insurance coverage of abortion, according to an analysis by the Guttmacher Institute. In those states, five new laws were enacted. The laws either restrict abortion coverage in private health insurance policies written in a state, limit coverage in policies to be included in state-based health insurance exchanges created under health reform, or restrict coverage in policies offered to state employees. Additionally, a separate list of 18 states saw proposals to make ultrasounds part of abortion procedures. Some measures would require physicians to offer women ultrasounds before abortions, others would require that any ultrasound images made be shown or made available to women seeking abortions, and others would mandate an ultrasound before any abortion. So far this year, new abortion-ultrasound laws have been enacted in six states, the institute reported.

Bill Aims for Better Maternity

New federal legislation would make childbirth in the United States safer by promoting evidence-based maternity practices and discouraging the overuse of cesarean sections and scheduled inductions of labor. Introduced by Rep. Lucille Roybal-Allard (D-Calif.), H.R. 5807 would create an interagency committee to promote proven medical practices such as prenatal smoking cessation programs and group prenatal care. It would also expand federal research on best maternity practices and authorize data collection to identify the parts of the country with shortages of maternity care providers.

Grants Will Be Mothers' Helpers

Officials at the Department of Health and Human Services are awarding $25 million this year to help states and Native American tribes better support pregnant teens and women, as well as women already raising children. The competitive grant program, which will offer $25 million in funding each year through 2019, was mandated by the Affordable Care Act. HHS expects to award up to 25 grants per year in amounts ranging from $500,000 to $2 million. The program, called the Pregnancy Assistance Fund, is designed to connect teens and women with services to help them complete school and access health care, child care, and housing.

Youth Breast Cancer Is Focus

The federal government is establishing a new advisory committee that will focus on early detection of breast cancer and support for young women coping with the disease. The Advisory Committee on Breast Cancer in Young Women, created by the Affordable Care Act, will provide advice to the secretary of HHS and the director of the Centers for Disease Control and Prevention. The new committee is being charged with creating a national education campaign of age-appropriate messages on breast health and risk factors related to family health, race, ethnicity, and cultural background.

Secondhand Smoke's Dangers

Getting pregnant women to not smoke may not be enough if they are exposed to secondhand smoke during their pregnancy, according to a study from researchers at the University of Pittsburgh. The researchers reported in the Open Pediatric Medicine Journal that newborn babies of mothers who don't smoke but were exposed to secondhand smoke during pregnancy had the same genetic mutations as those found in the babies of mothers who smoked. The mutations have the potential to affect survival, birth weight, and even susceptibility to cancer, according to the researchers.

Jailed for Reselling Fertility Drugs

A Massachusetts woman has been sentenced to 3 years in prison on charges that she fraudulently obtained fertility drugs and then sold them on the Internet. She will also have to repay more than $500,000 to Blue Cross/Blue Shield of Massachusetts, which was billed for the drugs. Heidi Benham, aged 44, was indeed a fertility patient, but she began calling pharmacies and fraudulently authorizing refills of various fertility medications by claiming that she worked for a physician, according to the U.S. Department of Justice. The government alleged that the scheme continued from February 2001 through October 2005 and that Ms. Benham received about $160,000 from the sale of the drugs.

FDA Drafts Transparency Rules

The Food and Drug Administration's Transparency Task Force has issued 21 draft proposals concerning public disclosure of FDA operations without compromising patents or companies' trade secrets. Part of the FDA's transparency initiative launched last summer, the proposals are aimed at helping consumers, stakeholders, and others understand how the agency makes decisions and enforces them. The FDA said that one of the draft proposals would support research into rare diseases by freeing the agency to discuss that a company has abandoned its application for an orphan drug. Once made public, this information could enable another drug manufacturer to pick up where the first one left off toward a potentially new therapy for a rare disease.

—Mary Ellen Schneider