National Health Service Corps Receives $2.5 B

BY DENISE NAPOLI

WASHINGTON — With $2.5 billion in Recovery Act funding, major changes are in the works for the National Health Service Corps.

And according to new Health Resources and Services Administration director Mary Wakefield, Ph.D., R.N., the money comes just in time.

Last year, 14,000 medical and nursing school graduates applied to the National Health Service Corps, the division of HRSA that recruits health professionals to shortage areas by offering full or partial repayment of their student loans, said Dr. Wakefield at a physician workforce conference sponsored by the Association of American Medical Colleges. "But the agency was only budgeted to respond to one out of every seven requests, in spite of a tremendous need for those providers."

The shortfall was even more dire for nurses—9,000 applications were received for 600 budgeted slots.

But this year, with an extra $300 million from the American Recovery and Reinvestment Act specifically allocated to the agency's health professions programs, the corps will accept about 4,100 more doctors, dentists, and nurses than last year.

The application and placement processes for the corps are also being overhauled, according to Dr. Wakefield. Previously, applicants had a fixed, annual, 30-day window to apply; however, "beginning in May, HRSA will suspend that requirement for the 2-year duration of the Recovery Act, and switch to a rolling application model." Dr. Wakefield added that she will push for this open enrollment model to continue even after the Recovery Act money runs out.

A provisional prequalification program will also be put into place, so that medical and nursing school students can apply and receive notification of acceptance while still in their final year of school. Previously, only licensed graduates were eligible, resulting in a lag between graduation and corps service.

HRSA-approved health care sites will also be able to post more jobs to the online corps job board. Until now, only two vacancies per specialty were allowed per site, no matter the actual need.

"That was designed to help with distribution of practitioners across the nation," Dr. Wakefield said. "But now, with the incredible expansion of the corps under the Recovery Act, HRSA will allow eligible sites to advertise up to six vacancies per specialty."

The changes should add up to an infusion of health care workers in rural and shortage areas in 2009 and 2010. ■

Health Reform Options Include Boost to Primary Care

BY MARY ELLEN SCHNEIDER

The health reform package being crafted in Congress could include Medicare payment bonuses to primary care physicians and general surgeons, according to policy options released by leaders of the Senate Finance Committee.

The 52-page paper is a first look at the proposals on the table in this year's health reform debate. But these proposals are just a starting point, according to Sen. Max Baucus (D-Mont.), chairman of the Senate Finance Committee, and Sen. Chuck Grassley (R-Iowa), the committee's ranking member. They said they will be seeking comment from the public and other members of Congress before developing more concrete proposals.

Among the options under consideration is a proposal to boost payment to primary care physicians and general surgeons working in certain rural areas. Under the proposal, these physicians would receive a Medicare payment bonus of at least 5% for 5 years. But since the proposal is budget neutral, at least part of the funding would come from an across-the-board payment cut for other non–primary care services, according to the Senate Finance Committee document.

The Finance Committee's policy paper also includes a proposal to bundle payments for acute hospital care and post-acute services. Under that proposal, Medicare would begin in October 2014 to provide a single, bundled payment for acute hospital services and post-acute services that occur within 30 days of discharge. The post-acute payments affected by the proposal would be those made to home health care, skilled nursing facilities, rehabilitation hospitals, and long-term care hospital services. Under the proposal, the bundled payment would be phased in starting with conditions that account for the top 20% of post-acute spending.

The paper also includes proposals to expand the Medicare pay for the Physician Quality Reporting Initiative (PQRI). Under the policy proposals being considered, physicians involved in the program would also be eligible to earn bonus payments for participating in a qualified Maintenance of Certification program and a related practice assessment.

The policy options paper is the first of three sets of such documents that will be released before the committee's markup of comprehensive health reform legislation this summer. ■

POLICY & PRACTICE

Part A to Go Broke in 2017

The Medicare Hospital Insurance Trust Fund will run out of money in 2017—2 years earlier than predicted last year—in part because the fund is collecting fewer payroll taxes during the recession, trustees of the fund announced in their annual report. If lawmakers don't make changes in the program, in 2017 the Part A Hospital Insurance Trust Fund could pay only 81% of anticipated benefits, and that would decline to about 50% in 2035 and 30% in 2080, the trustees said. The trustees also predicted that premiums for Medicare Parts B and D will continue to rise much faster than inflation, and the separate Medicare Supplemental Insurance Trust Fund that in part finances those benefits will require additional money from the general treasury. Health and Human Services Secretary Kathleen Sebelius said in a statement that the report should spur action on the part of lawmakers considering overall health care reform. "This isn't just another government report," Ms. Sebelius said. "It's a wake-up call for everyone who is concerned about Medicare and the health of our economy. And it's yet another sign that we can't wait for real, comprehensive health reform."

Mental Heath Parity Comments Due

The federal government is seeking public comments before implementing a law that demands broader insurance coverage for mental health benefits. The Mental Health Parity and Addiction Equity Act of 2008 requires that health plans use the same rules for cost-sharing and visit limits in offering mental health and addiction treatment that they use for medical and surgical treatments. Together, HHS and the Labor Department said they want to know the financial and treatment limits that plans currently impose, the plans' practices in determining medical necessity for and denying mental health benefits, and how plans handle out-of-network mental health benefits.

Families Can't Afford Insurance

The majority of uninsured American families can't afford to buy nongroup health insurance, according to a study from the Agency for Healthcare Research and Quality. The study measured families' median net worth—their savings plus other assets minus debt—rather than just income. The AHRQ concluded that while an income-based model works well to estimate how many families will enroll in employer-based coverage, it overestimates nongroup health insurance enrollment for families with low net worth and underestimates enrollment for families with high net worth. Also, families without access to employer-based coverage were much more likely than those with access to earn below 200% of the federal poverty level, the study showed.

Medical Homes Are Challenging

Transforming a primary care practice into a patient-centered medical home requires "epic whole-practice reimagination and redesign," according to researchers reporting on one of the first demonstrations of the model. The results of the 2-year pilot project, launched in 2006 and supported by the American Academy of Family Physicians, showed that the technology needed to run a patient-centered medical home (PCMH) was especially difficult to implement. In addition, transitioning to a PCMH required physicians "to change their professional identity and the socialized ways they currently deliver primary care." For example, physicians must learn to work in practice teams, manage chronic care differently, incorporate populationwide health management, use evidence at the point of care, and partner with patients, the researchers said in the May/June Annals of Family Medicine.

Promo Items Influence Students

Subtle exposures to small promotional items, such as notepaper with printed logos, influences medical students' attitudes toward pharmaceutical brands, a study in the Archives of Internal Medicine showed. However, medical school policies on pharmaceutical advertising might also affect students' attitudes toward drug brands, the researchers noted. At one institution with a strong policy on pharmaceutical marketing, the students increased their negative reactions to a brand-name drug after exposure to small promotional items. At another institution without such a policy, students had more positive reactions to the same product after the same exposure. "The data suggest that adopting these more restrictive policies will reverse long-standing adverse trends on physicians' prescribing habits," Dr. Philip Greenland of Northwestern University wrote in an accompanying editorial. "It is time to act."

New Web Site Pushes Reform

Doctors for America, a new grassroots physician organization, is launching a campaign to get physicians' voices heard on health care reform. The "Voices of Physicians" campaign has collected and published comments from doctors nationwide at www.voicesofphysicians.org. The 11,000-member group, which started a year ago and was originally Doctors for Obama, has no outside funding and does not take a position on health reform, said its president, Dr. Vivek Murthy, during a teleconference. He noted, however, that "what we hear over and over from physicians is [that their concern is] not how much they're reimbursed but what they're reimbursed for. They want to spend more time with patients and do more that is patient centered."

—Jane Anderson