AMDT #10

Amendment to the Chairman’s Mark

Offered by Representatives McDermott, Van Hollen, Pascrell, Lee, Pocan, Dingell, Lieu, and Norcross

Protect Access to Primary Care in Medicaid and Medicare

1. Increase budget authority and outlays for Function 550 by the following amounts in billions of dollars to ensure that individuals relying on Medicaid and Medicare have access to primary care.

	2016	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*	*2025*
BA	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4
Outlays	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4

2. Adjust the aggregate levels of revenue by amounts equal to the foregoing outlay changes in paragraph 1, reflecting the reduction of tax expenditures for the top one percent of income earners, or of unjustified corporate tax breaks, including tax subsidies for the major integrated oil companies, special depreciation for corporate jets, loopholes that encourage firms to ship jobs and capital overseas and shelter their profits in foreign tax havens, the “carried interest” loophole that allows hedge fund managers to disguise their compensation as capital gains, or corporate deductions for CEO bonuses and other excessive executive compensation exceeding $1 million per year.

3. Make all necessary and conforming changes to the Chairman’s mark.

4. Amend the committee report to reflect the following policy assumptions:

   The resolution protects access to primary care for Medicaid enrollees by providing federal funding for states to restore primary care reimbursement rates for physicians at 100 percent of the Medicare rate, and by extending these rates to additional providers. Because of state budget pressures, prior to the implementation of the Affordable Care Act, Medicaid paid physicians an average of 58 percent of Medicare reimbursement rates for primary care, a gap that widened over time. These low reimbursement rates sometimes led to a lack of access to primary care among Medicaid beneficiaries, as noted several times in last year’s Republican Budget Committee Report, The War on Poverty: 50 Years Later (p. 106). The Report explains that Medicaid has traditionally paid less than Medicare, and that difference in payment rates contributes to access problems for Medicaid enrollees.

Access to a regular primary care physician improves health and increases receipt of recommended preventive services, such as vaccines. It also allows people to seek timely care for medical conditions before they become more serious and more expensive to treat and having a regular doctor is associated with fewer preventable hospital emergency department visits. Among the low-income population that is served by Medicaid, access to primary care is associated with better management of chronic conditions and reduced mortality.

The Affordable Care Act increased Medicaid payments to primary care providers by an average of 73 percent in 2013 and 2014 with 100 percent federal funding. Increased reimbursement rates have been associated with increases in the number of participating physicians in Medicaid. The resolution provides funding to restore these payment rates through 2025 to protect continued access to primary care providers for Medicaid enrollees. In addition, the resolution accommodates funding to extend the increased payment rates to obstetricians, gynecologists and non-physician practitioners such as physician assistants and nurse practitioners. The Affordable Care Act also increased Medicare payments to primary care providers by 10 percent for 2011 through 2015. The resolution assumes a permanent increase in payment rates for primary care in a budget neutral manner within the Medicare physician fee schedule.

The resolution accommodates this necessary level of funding by reducing tax expenditures for the top one percent of income earners, or by reducing unjustified corporate tax breaks, including tax subsidies for the major integrated oil companies, special depreciation for corporate jets, loopholes that encourage firms to ship jobs and capital overseas and shelter their profits in foreign tax havens, the “carried interest” loophole that allows hedge fund managers to disguise their compensation as capital gains, or corporate deductions for CEO bonuses and other excessive executive compensation exceeding $1 million per year.