

H.R. 1700, the Medicare Patient Empowerment Act Introduced by Rep. Tom Price, MD (R-GA)

Current law:

- Private contracting is permitted, but physicians who engage in private contracting may not accept Medicare payments for any services provided to any Medicare patients for two years.
- Patients who sign private contracts to receive services outside of the Medicare program must pay the entire cost of these services out-of-pocket.

H.R. 1700—Major Provisions:

- The two-year opt-out requirement is eliminated—physicians can enter into private contracts with some or all of their patients, for any period of time.
- Patients who have paid into Medicare for their entire working lives can use their benefit to offset a portion of the fee set by their physician. Medicare will reimburse them for the cost of their care up to the usual payment amount.
- Patient protections are included, similar to those in current law. Private contracts will not be allowed for very low income patients, for those with emergency or urgent conditions, or in situations where there is no choice of physician. Fees for services must be disclosed to the patient up-front.

AMA Activities:

The House of Delegates approved Resolution 204 at the 2010 Annual Meeting, directing the AMA to draft a bill that creates a new Medicare private contracting payment option.

Working with the resolution cosponsors, the AMA developed this draft and circulated it to the Delegates and Alternate Delegates last September.

During the fall and winter months, the AMA contracted with two research firms to conduct focus groups in three states, as well as a national poll (and pre-test) to identify and refine message points that can be used to build support among the public and Medicare patients. The most persuasive supporting arguments center on ensuring choice of physician and access to care.

Talking points reflecting these messages were provided to physicians who participated in this year's National Advocacy Conference (NAC).

Early this month, Rep. Price introduced H.R. 1700, which reflects AMA policy.

We are actively engaged in discussions with potential Senate sponsors and expect legislation to be introduced in that chamber shortly.

A dedicated web page has been developed on the AMA web site, www.ama-assn.org/go/privatecontracting. This page includes:

- Text and a summary of H.R. 1700
- A frequently asked questions document providing additional information about the bill
- The talking points developed for the NAC
- Links to the list of current cosponsors and a grassroots email letter.

A webinar on the legislation, featuring AMA President Cecil Wilson, MD, has been scheduled for June 8. The registration process will be announced in AMA communications vehicles. The focus will be on educating physicians about the issue and enlisting their support in securing cosponsors for H.R. 1700.

As of May 19, there were eight bill cosponsors, in addition to Rep. Price:

Rep Burgess, Michael C. [TX-26]
Rep Duncan, Jeff [SC-3]
Rep Ellmers, Renee L. [NC-2]
Rep Hayworth, Nan A. S. [NY-19]
Rep Lamborn, Doug [CO-5]
Rep Roe, Phil [TN-1]
Rep Sessions, Pete [TX-32]
Rep Tiberi, Patrick J. [OH-12]

A Federation letter was sent on May 19 to all members of the House of Representatives who have not yet cosponsored the bill. It was signed by 44 states and the District of Columbia, and by 33 national physician organizations.