

Healthcare Outlook for the 110th Congress

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Driving forces behind the 110th Congress, beginning January 2007, are anticipated to differ significantly from those of the current Congress. In addition to Democratic control of both the House and Senate and new leadership of the committees of jurisdiction over healthcare, very different policy considerations are anticipated under the new Democratic majority.

The Republican majority in the 109th Congress continued the path set in 1994 of having market forces determine the direction and policy of healthcare. The most obvious example for clinical laboratories is that of competitive bidding and attempts to reinstate beneficiary co-payment for outpatient laboratory services. Other areas have utilized a “user fee” concept, similar to co-payment, to raise revenues or lower costs caused by competition in the healthcare market place.

While the Democrats will attempt to expand benefits and extend coverage to the uninsured as part of their healthcare policy agenda, a major element of their fiscal policy is the enforcement of the “pay as you go” budget philosophy. Any expansion of healthcare benefits must be paid for by reductions in other areas of federal expenditures.

Democrats also adhered to this policy when in the majority before 1992, but they attempted to find off-sets in areas that would not affect quality, service, or access to healthcare and worked with the affected stakeholders to achieve this outcome.

As the 110th Congress is organized, many of the key chairs of the House and Senate committees are likely to be those members of Congress who served in the same capacity in the late 1980s and early 1990s.

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Washington Beat is intended to provide a timely synopsis of activity in the nation's capitol of importance to clinical laboratory practitioners. This section is coordinated jointly by Judy Davis and Linda Comeaux, Co-chairs of the ASCLS Government Affairs Committee; and Don Lavanty, ASCLS Legislative Counsel. Direct all inquiries to ASCLS, (301) 657-2768 ext. 3022, (301) 657-2909 (fax); or mail to ASCLS, 6701 Democracy Boulevard, Suite 300, Bethesda MD 20817, attn: Washington Beat.

In the House, the Ways and Means Committee Chair will be Charles Rangel, (D-NY). He has expressed to many in the laboratory community his concern over competitive bidding and the impact it will have on the quality of care.

The Chair of the Ways and Means Health Subcommittee will again be Congressman Pete Stark (D-CA), who was responsible for the Stark Self-referral Act that prohibited a physician from referring work to a clinical laboratory when the physician had a financial interest in the laboratory, and addressed other legislative concerns impacting the laboratory community.

The House Committee on Energy and Commerce will be chaired by Congressman John Dingell (D-MI). As a former chair, Mr. Dingell spent a great deal of time on laboratory quality by holding several hearings on CLIA's impact on the delivery of clinical laboratory services as well as administrative and quality measures. Given the recently publicized problems with laboratory quality and proficiency testing, he will likely again review clinical laboratory quality concerns.

The Subcommittee on Health will be chaired by Congressman Frank Pallone, Jr. (D-NJ). He has expressed to the laboratory community an interest in working to reduce Medicare and Medicaid costs, but not at the expense of quality.

In the appropriations area, Congressman Jesse Jackson (D-IL), a major co-sponsor of our laboratory manpower bill, will be in position to assist in gaining funding for our bill and allied health.

On the Senate side, Senator Edward Kennedy (D-MA) will again be chair of the Senate Health Committee. He, along with Senator Tom Harkin (D-IA), Senator Barbara Mikulski (D-MD), and Senator Jack Reid (D-RI), will deal with the issues of health manpower, allied health, and health professions student loans.

The Senate Finance Committee will be chaired by Senator Max Baucus (D-Montana). Mr. Baucus and other Democrats have demonstrated a willingness to work with the laboratory community on the many issues faced under Medicare. This analysis is not intended to leave the impression that the

new majority and the committee chairs will now solve all the problems facing the clinical laboratory profession. Nor would we suggest that the prior majority was unconcerned about quality issues. Rather, in the recent past the Republican Congress determined that market place forces, outside of government interference, should resolve these issues.

As committee chairs in the early 1990s, the Democratic leadership had a different policy direction for healthcare legislation. Market place forces did not drive their healthcare decisions. While they certainly passed legislation reducing costs, they did not leave it to the market place to insure access. Rather, they enacted legislation to protect access and quality. At the same time, some providers complained the regulation was too burdensome.

Based upon past performance, every indication is that the Democratic leadership expects the provider community to be active participants in the many changes that might occur. In the past, if reductions in payments were necessary, these members would seek input from the provider community, including the ASCLS, to assess the impact on quality and access.

The 110th Congress will have to deal with major healthcare issues, including the prescription drug program, the physician payment formula, access for the uninsured, and a viable Medicare program to fund and deal with the “baby boomers”.

As the new leadership of the 110th Congress addresses these issues, we again are hopeful that they will, as they did in the past, engage the provider community in an active process. ASCLS, through its key contact network and political action, will be ready, willing, and able to participate.

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