

CALIFORNIA RHEUMATOLOGY ALLIANCE

LEGISLATIVE NEWSLETTER

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California
Rheumatology
Alliance

SUNSHINE ACT UPDATE: REGISTRATION TO OPEN JUNE 1

Physicians must complete a two-phase registration process in order to review and dispute the payments and other transfers of value reported by pharmaceutical and device companies to the Centers for Medicare and Medicaid Services (CMS). During Phase 1, beginning June 1, 2014, physicians and teaching hospitals will be able to register with CMS' Enterprise Portal. Phase 2, commencing in July, 2014, will require registration in the Open Payments System in order to review and dispute reported data prior to its public release in September, 2014. If a timely resolution is not reached, CMS will still make the data public, but will mark it as disputed. CMS has remained steadfast in not mediating any physician-industry disputes. CRA will be submitting comments in response to the agency's recent request for comments on the dispute resolution period.

CALIFORNIA TO PROCLAIM MAY AS ARTHRITIS AWARENESS MONTH

In support of the 5.3 million Californians, including 38,000 children, living with arthritis, CRA is voicing its strong support for ACR 123, recognizing May as Arthritis Awareness Month. The resolution passed the Assembly on May 1 and awaits consideration in the Senate.

Throughout the year CRA partners with patient advocacy organizations, physicians and other key partners to ensure that prevention, screening and awareness around rheumatic diseases grow and patients may access the lifesaving treatments that they need.

SUCCESSFUL DEFEAT OF BILL SEEKING TO ELIMINATE IN-OFFICE EXCEPTION TO SELF-REFERRAL LAW

A strong coalition, including the CRA, California Medical Association, American College of Rheumatology (ACR), Coalition of State Rheumatology Organizations (CSRO) and other specialties, successfully defeated California SB 1215, which would have closed the in-office ancillary services exception for anatomic pathology, advanced imaging, radiation therapy and physical therapy. SB 1215 failed to pass the Senate Business, Professions and Economic Development Committee on April 28. Thousands of Californians benefit from integrated rheumatologic care in cost-effective and patient-centered settings. Preserving the in-office ancillary services exception protects patient access to quality medical care.

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FINALIZED UNIFORM PRIOR AUTHORIZATION FORM EFFECTIVE THIS NOVEMBER

The long-awaited Prescription Drug Prior Authorization Request Form (No. 61-211) has been finalized and adopted by the California Department of Managed Health Care. The recently finalized regulation will be effective three years after legislation was originally signed into law mandating the creation and use of a uniform prior authorization form to streamline and improve the process. By November 28, 2014, every prescriber must use the two-page form to request prior authorization for coverage of prescription drug benefits and all health plans must accept it. Visit www.calrheum.org for more information.

CRA AND THE CHRONIC CARE COALITION CALL FOR LIMITING SPECIALTY TIERS

The CRA strongly supports initiatives at both the state and federal levels to limit the use of “specialty tiers” by insurers in which patients are required to cover a percentage of the specialty medication price rather than a fixed co-payment. Earlier this session, CRA joined the California Chronic Care Coalition in calling on state legislators to introduce legislation limiting the use of specialty tiers; however, legislation has yet to be introduced. On May 8, the Coalition wrote to Insurance Commissioner Dave Jones, bringing the inherent discrimination and destructive impact of specialty tiers to his attention.

The CRA, CSRO and ACR maintain their support of a bipartisan federal proposal entitled “The Patients’ Access to Treatments Act,” H.R. 460, which would require insurers to place specialty medications within the same classification as off-formulary non-preferred brand medications. H.R. 460 awaits committee assignment in the House.

CRA SUPPORTS LEGISLATION ADDRESSING THE PHYSICIAN SHORTAGE IN UNDERSERVED AREAS

CRA and the California Arthritis Foundation Council (CAFC) jointly voiced their support for SB 1116, which will create flexibility for the Medical Board of California to collect, at the time of licensing or renewal, an additional \$75 from physicians and surgeons for the Steven Thompson Physician Corps Loan Repayment Program (STLRP). The Program provides physicians and surgeons dedicated to serving in underserved areas up to \$105,000 toward loan repayment in exchange for providing direct patient care for a minimum of three years. Unfortunately only one out of every three applicants currently receives funding due to high demand. By increasing the voluntary contribution, SB 1116 will create robust provider coverage that will lead to increased patient care. SB 1116 passed the Senate on May 12, and now awaits committee assignment in the Assembly.

GOVERNOR ENACTS CONTINUITY OF CARE LAW

On March 20, 2014, Governor Jerry Brown signed legislation (AB 369) into law ensuring the continuity of care for patients with serious health conditions whose insurance plans were cancelled based on non-compliance with the Affordable Care Act. Effective immediately, insurers are required to arrange for the completion of services for serious chronic conditions and select other conditions by non-participating providers for newly covered individuals whose prior coverage was cancelled between December 1, 2013, and March 31, 2014. Approximately 900,000 Californians whose policies had been cancelled during that period may benefit.

CRA OPPOSES BALLOT MEASURE TO ROLL BACK MICRA

Trial lawyers and their allies filed signatures with county registrars to qualify the proposed “Troy and Alana Pack Patient Safety Act of 2014” for the November, 2014, statewide ballot. Proponents are trying to entice voters with provisions requiring drug and alcohol testing of physicians and checking of CURES. The real intent of the initiative is to roll back MICRA, raising the current \$250,000 cap on non-economic damages to increases based on inflation, anticipated to exceed \$1 million. The measure would significantly increase costs for health care consumers by billions each year and jeopardize patient access to care. CRA is a member of the Californians Allied for Patient Protection (CAPP), which is launching a campaign against the initiative.