



Legislative and Regulatory Update

September 2014

Congress Recesses, SGR Hangs in Balance

After a two-week return to Congress after the August Congressional recess, the House and Senate recessed until after the elections, setting up a showdown over the Medicare physician fee schedule during what is expected to be a short, lame-duck session after the elections or early in 2015.

For over a decade, Congress has relieved the cuts called for by the Sustainable Growth Rate (SGR), the portion of Medicare physician payment formula that would have resulted in significant cuts in these payments. The current “patch” for the SGR expires on April 1, 2015. Leaders of the 5 largest medical societies – American Osteopathic Association (AOA), American Medical Association (AMA), American College of Surgeons (ACS), family physicians (AAFP), and ACP (internists) – banded together to meet with Congressional leaders the last week before Congress recessed to advocate for SGR repeal during the lame duck session.

2014 presents the most plausible time to repeal the SGR given that the committees responsible for the Medicare physician fee schedule are in bipartisan, bicameral agreement on the means to repeal the SGR. However, SGR repeal remains a daunting proposition for members of Congress mainly due to its cost. While agreement on the substance has been reached, there is significant disagreement among Republicans and Democrats about how to pay for the repeal. With the Senate majority in question, decisions about the fate of the SGR are on hold until after the elections.

ASTS Members to Visit Congress

On October 1, ASTS President Peter Stock and members of the ASTS Legislative Committee will visit key legislators' offices on Capitol Hill to advocate for transplant-related issues. Among these are the bill to extend ESRD coverage of immunosuppressive drugs beyond Medicare's current 36-month limit, which is awaiting a score from the Congressional Budget Office but has bipartisan support in the House and Senate. Members of Congress are working from their district/state offices until the election. As such, we will be meeting with key staff in Washington D.C., including champions of transplant-specific legislation and Members from the Legislative Committee's home districts.

New Effort to Combat Antibiotic Resistance

President Obama has signed an Executive Order mandating action to protect existing antibiotics and encourage the creation of new ones. The White House has also announced a new effort to combat antibiotic resistance, including a \$20 million prize for developing a new test to identify antibiotic-resistant infections and instructing federal agencies to ensure they comply with the best approaches to "antibiotic stewardship" in government health centers, pharmacies, and prisons.

In addition to the Executive Branch actions, there are new bills in Congress to allow modified clinical trials for rare diseases and infections that do not increase antibiotic resistance and to allow higher reimbursement rates for new anti-microbial drugs. ASTS is monitoring this issue closely.

Looking for a Past Issue?

All issues of the ASTS Legislative and Regulatory Update are now [archived on the ASTS website](#).