## POLICY & PRACTICE

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### ADHD Drugs OK, for Now

The Food and Drug Administration said it has gotten preliminary results on the possible cardiovascular risks associated with medications for attention-deficit/hyperactivity disorder, but the agency isn't recommending any labeling changes – at least for now. "Because the review is ongoing, FDA does not recommend that patients, caregivers, or health care professionals change their use or prescribing patterns of stimulant medications for ADHD" in children or adults, the agency said in a statement. It noted that the drug labels and medication guides for stimulants already contain warnings about the risk of cardiovascular events. The agency left open the possibility that it will call for labeling changes once officials complete their analysis of the studies that the FDA commissioned.

### Better Chemical Policy Sought

The American Academy of Pediatrics said the nation's current toxic-chemicals policy fails to protect children and pregnant women. The Toxic Substances Control Act hasn't been revised substantially since it was created in 1976, and only five chemicals or chemical classes have been regulated under it, the AAP said. Meanwhile, manufacturers have created and introduced tens of thousands of new chemicals. The law doesn't require chemical companies to perform testing or follow-up on any of their products and in fact discourages companies from producing such data. "These chemicals are found throughout the tissues and body fluids of children and adults alike, including blood, cord blood, and human milk," the AAP said. It called for an overhaul of the law.

### Medicaid IT Incentives Offered

The federal government will provide more money for states to develop and upgrade their information technology systems and help people enroll in Medicaid and the Children's Health Insurance Program, a Department of Health and Human Services statement said. The new policy will give states 90% of the cost of developing systems and 75% of ongoing operational costs, an increase over the previous federal matching rate of 50%. The boost should help states prepare for the 2014 Medicaid expansion and coordinate their Medicare programs with health insurance exchanges, both coming as provisions of the health care reform act that passed last year. The policy also establishes performance standards for the public-insurance programs to promote greater efficiency and more consumer-friendly enrollment processes.

### New Anesthesiology Subspecialty

The American Board of Medical Specialties has approved a new subspecialty in pediatric anesthesiology, to be administered by the American Board of Anesthesiology. That board and the American Board of Pediatrics currently coadminister a 5-year training program in pediatrics and anesthesiology at four U.S. medical centers. For the new subspecialty, the two boards will create standards, approve new training programs, and develop an examination. Physicians who have practiced in the area of pediatric anesthesiology can take the examination and become certified without additional training.

### Voluntary Ad Standards Released

The Obama administration has asked food manufacturers to voluntarily limit advertising aimed at children, especially for products high in sugar, saturated fat, and sodium. The proposed principles, available for public comment through June 13, say ads should encourage children to make healthier food choices, such as vegetables, fruit, and whole grains. Four agencies – the FDA, Federal Trade Commission, Centers for Disease Control and Prevention, and U.S. Department of Agriculture – issued the principles, and it's possible that one or more of those agencies could move to make them mandatory if food manufacturers fail to comply. The new document asks food manufacturers to curb unhealthy product ads by 2016. "To their credit, some of the leading companies are already reformulating products and rethinking marketing strategies to promote healthier foods to kids," said FTC Chairman Jon Leibowitz in a statement. "This proposal encourages all food marketers to expand voluntary efforts to reduce kids' waistlines."

### Kids With Diabetes Cost More

Medical costs for children with diabetes are six times those of other children, according to the Centers for Disease Control and Prevention. Researchers studied administrative claim data for 50,000 children 19 years old or younger, 8,226 of whom had diabetes. The average annual medical costs in 2007 for those with diabetes was $9,061, compared with $1,468 for children without diabetes, CDC researchers reported in the May issue of Diabetes Care. Children who received insulin treatment had medical costs of $9,333, while children with diabetes but not getting insulin cost their families and private insurance companies $5,683. The authors attributed higher costs with diabetes to medication expenses, specialist visits, and supplies.

**–Jane Anderson**

# House Hears SGR Alternatives, Vows Action

BY FRANCES CORREA

FROM A HEARING OF THE HOUSE ENERGY AND COMMERCE COMMITTEE'S SUBCOMMITTEE ON HEALTH

WASHINGTON – A plan to finally replace Medicare's much maligned Sustainable Growth Rate payment formula could be unveiled by this summer, federal lawmakers predicted at a committee hearing.

"Here's the bottom line: If we get to December and we're doing an extension, that's a failure on our part," Rep. Michael Burgess (R-Tex.) said at the hearing. "We need a permanent solution that's predictable, updatable, and reasonable for this year – and nothing else will do."

"Whatever virtues the SGR had when it was created 14 years ago … it's clear that they have vanished," noted Rep. Henry A. Waxman (D-Calif.). He added that in the past 2 years, Congress has had to pass legislation six times, blocking fee cuts of up to 21% or more.

COURTESY AMERICAN MEDICAL ASSOCIATION

**Dr. Mark B. McClellan (left) and Dr. Cecil B. Wilson (center) take their ideas about SGR to the House.**

Approximately 30 medical associations responded to the House subcommittee's request for suggestions and proposals in developing a new system. Speaking Thursday with a five-person panel of experts from medical associations and health policy organizations, House subcommittee members considered alternatives to the current SGR formula, which some participants labeled as anything but sustainable.

### One Size Won't Fit All

While the details of the plans vary, they do show a consensus on several fronts: repealing the SGR, moving away from the traditional fee-for-services payment model, and providing a 4- to 5-year transition period in which providers can experiment with a variety of payment systems. The expert panel also stressed the importance of avoiding a "one size fits all" solution.

"I think we should also have a realization that what will work in one part of the country will not work in another part of the country, and that's why we have continued to talk about a variety of options," said Dr. Cecil B. Wilson, president of the American Medical Association. "There is a temptation to feel like we ought to figure out one rule … that solves it all."

Dr. Wilson pointed to the provisions in the Affordable Care Act that allow for a variety of models of accountable care organizations, embodying the concept of options in the medical system. In that spirit, Dr. Wilson said that the AMA has formed a physician leadership group to evaluate the effectiveness of alternative payment methods.

"The evidence shows that to achieve the savings that Congress is looking for, and to improve the quality of health care delivered to millions of patients in the country, reform must include investment in primary care," Dr. Roland A. Goertz, president of the American Academy of Family Physicians, noted in written testimony to the committee. To strengthen primary care's role in Medicare, the AAFP backs payment reforms that would boost primary care reimbursement and support the concept of the patient-centered medical home (PCMH). The AAFP's proposal would create a blended reimbursement system for primary care delivered within a PCMH: fee-for-service payments and pay for performance, plus care management fees for PCMH-related activities that don't involve direct patient care.

The panelists also asserted their belief that whatever plan chosen should be physician led, with financial support of the government.

"It would be very helpful if physicians could get better financial support in their own payment system to enable them to lead all of those efforts," said Dr. Mark B. McClellan, director of the Engelberg Center for Health Care Reform and former administrator of the Centers for Medicare and Medicaid Services. "Right now, with fee-for-service staying the way it is, they're staying behind." Dr. McClellan added that physicians can be the best sources for innovative and cost-saving mechanisms. ■

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