What Was In It for Them

By Michael T. Heiney

The Medicare Prescription Drug and Modernization Act just managed to squeak through Congress last week (it passed 220-215 in the House and 54-44 in the Senate), but this rather narrow victory doesn’t reflect the surprisingly broad base of support the legislation enjoyed among one of its most important constituencies—health care groups. The bill’s margin of approval was far more lopsided among health advocacy organizations than it was among lawmakers, as the Republican congressional leadership and the White House marshaled an impressive coalition of more than 300 organizations to promote the compromise agreement on Medicare reform.

The scope of this coalition is symptomatic of the marked growth in the number of health advocates in Washington since the Clinton health plan went down in flames in 1994. This increasingly crowded environment is led by K Street lobbyists who are angling to make sure every interest group gets a piece of the pie. And there’s every indication that they largely got what they wanted in this $400 billion package.

AARP’s surprise backing of the Republicans’ plan—in exchange for certain adjustments in health coverage provisions—was the most talked-about development in the Medicare debate, but here’s a look at where some of the other major health care organizations stood on the bill and what they liked—or didn’t like—about it. While all cited the creation of a prescription-drug entitlement for seniors as one reason for backing the legislation, they also had a host of special-interest considerations high on their agendas.

American Hospital Association
FOR
Hospitals enthusiastically supported the bill because it significantly expands payments to rural hospitals and places a moratorium on the creation of specialty hospitals (which are economic threats to general hospitals).

American Medical Association
FOR
The nation’s physicians were behind the bill because it reverses proposed cuts in physician reimbursements under Medicare and provides incentives for recruiting and retaining physicians in rural areas.

Blue Cross and Blue Shield Association
FOR
This trade association—representing 41 independent, locally operated BCBS plans—signed on in part because of the expectation that the bill is likely to lower prescription drug costs by reducing the time it takes for generic drugs to become available.

American Diabetes Association
FOR
The organization endorsed the bill for funding diabetes diagnostic screenings for seniors and praised the creation of a “Welcome to Medicare” physical examination for all new Medicare beneficiaries.

American Heart Association
SUPPORTED IN PART
The organization did not expressly endorse the overall bill, but praised the inclusion of cardiovascular screening provisions, favored the extension of a moratorium on rehabilitation therapy caps (which could deny needed therapy to stroke patients) and supported the Medicare physical.

American Cancer Society
SPLIT
The group was pleased with the initial physical exam and transitional coverage for oral anti-cancer drugs. But it expressed serious concerns about gaps in coverage for low-income beneficiaries and reductions in reimbursements for oncologists.

Alzheimer’s Association
SPLIT
This increasingly prominent lobbying group urged passage of the bill as a “compromise” that will improve the care of patients with Alzheimer’s disease, but it was critical of the introduction of market competition into the Medicare program.

National Breast Cancer Coalition
LEANED AGAINST
The only leading patients’ organization to take a mostly negative view of the legislation was concerned about significant gaps in coverage under the prescription drug benefit (the so-called “doughnut hole”) and the inclusion of tax-preferred health savings accounts.

American Association of Nurse Anesthetists
FOR
The organization representing nurses who administer two-thirds of all anesthetics praised increased reimbursements for outpatient health care and provisions supporting health care in rural areas, where nurse anesthetists play a large role.

National Association of Community Health Centers
FOR
This bipartisan lobbying group, representing 3,000 not-for-profit providers of health care, endorsed the bill as a compromise that ensures adequate reimbursement of health centers under Medicare Advantage plans and provides for technical improvements in billing skilled-nursing facilities.

American Nurses Association
AGAINST
America’s largest nursing organization raised strenuous objections to the bill’s reliance on private market forces and an experiment placing private managed care plans in competition with the traditional Medicare program.

American Chiropractic Association
FOR
Chiropractors, who are usually at a disadvantage in political contests against physicians, won a rare victory with this legislation, which creates a new chiropractic demonstration project and increases reimbursement for chiropractic services.

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