

# WASHINGTON UPDATE

• **Manpower** is sure to be one of the hottest items on the Academy's agenda in 1985. Two traditional funding mechanisms for graduate medical education, which Fellows have fought hard to support, are under renewed scrutiny and may well be squeezed or eliminated.

One of those mechanisms is the **Medicare "pass through,"** which reimburses teaching hospitals for part of the cost of training physicians through direct and indirect formulas. Sen. David Durenberger (R-Minn.), chairman of the Senate Finance Committee's health subcommittee, already has introduced legislation to convert the \$1 billion direct payment system into a state-run \$900 million block grant. Meanwhile, President Reagan proposes to establish a \$750 million block grant for the direct system, with no provision for future increases. He also wants to reduce the \$2 billion indirect system to \$1 billion over three years.

The other mechanism is **primary care training grants** for pediatric and internal medicine, which is included in the U.S. Public Health Service (USPHS) budget. The Academy and other organizations joined last year in a successful effort to see harsh cuts in the pediatric grants reversed, with a \$1 million increase in fiscal 1985 to \$18.5 million. The

• Shown here is the **99th Congress Recess Schedule** for the remainder of 1985. Academy members are encouraged to take advantage of their lawmakers' trips home to encourage support for the vaccine injury compensation bill, the Child Health Incentives Reform Plan (CHIRP) proposed as an amendment to the federal tax code, as well as other maternal and child health legislation. Schedule an appointment with your senator or congressman before visiting his or her office; you'll receive more serious attention if you do. Members also should call the Academy's Office of Government Liaison in Washington, D.C., (800) 336-5475, for any needed help with presenting issues.

Easter  
Memorial Day

Fourth of July  
August Recess  
Rosh Hashanah  
Yom Kippur

Columbus Day  
Adjournment Target

\*Senate recess to be announced.

April 4-15  
May 24-June 3 (Senate)  
May 24-29 (House)  
June 28-July 8  
August 2-September 4  
September 13-17 (House)\*  
September 23-26 (House)\*  
October 11-16 (House)\*  
November 1 (House)\*

## THIS MONTH

### Page 4

• Nominees for 1985-86 AAP vice president/president-elect explain their qualifications.

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• **Feedback:** What are the common causes of malpractice lawsuits? How can they be avoided?

• Have you participated in the U.S. Indian Health Services Program? The AAP Committee on Community Health Services is interested in establishing an American Indian health care consulting program.

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• **Health Alert:** Child restraint seat recall; E-ferol update; outdated infant formula notice; multiple-birth assistance; and "What Every Baby Knows."

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• **Course Calendar.**

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• Only one month remains for

Administration, however, intends to propose a total phase-out over three years of all education assistance for health professions funded through USPHS.

• **Medicaid** once again will be on the chopping block in 1985, as the Administration plans to seek the sharpest cuts yet in the 20-year-old health care program for low-income Americans.

The White House has proposed that a tight cap be placed on federal support for Medicaid which would reduce payments to states by \$7.24 billion over the next three years. If passed, the cap would place an even greater burden on states to "adjust" Medicaid services they provide.

Budget legislation passed in 1981 reduced federal payments to states by \$3.9 billion over four years and reduced Medicaid rolls by more than one million beneficiaries — many of them children. The pressure on states resulting from that legislation, however, was mitigated by congressional proposals approved in 1984, including the Child Health Assurance Program supported by the AAP. Up to one-half to two-thirds of the beneficiaries removed from Medicaid in 1981 could be restored to the program under last year's legislation.

you to take advantage of the reduced-cost advance registration for the upcoming AAP Spring Meeting.

• **Focus on Practice:** Tips on hiring and firing partners and associates.

### Page 9

• Academy policy statement on improving school bus safety standards.

### Page 11

• The AMA House of Delegates takes action on AAP-sponsored resolutions regarding boxing and flexible residency programs.

### Page 12

• **Chapter Newslines:** Wyeth laboratories increases prize amount; Minnesota Chapter releases child health plan; help for you if you're experiencing a spot shortage of DTP vaccine.

• Fellows in the news.

## Doe regulations...

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Members of the task force include Drs. Robert J. Haggerty, president; James E. Strain, past president; M. Harry Jennison, executive director; Herbert J. Cohen, chairman of the Committee on Children with Disabilities; George A. Little, chairman of the Committee on Fetus and Newborn; William B. Weil, chairman of the Committee on Bioethics; and Myron Genel and Mildred Stahlman, two Fellows representing the academic pediatric societies. Their meeting with Surgeon General Koop preceded the February 8 deadline for submitting formal comments on the proposed rule to HHS.

### Task force concerns

The regulations' preamble describes conditions under which HHS says treatment could or could not be withheld. Task force members believe these descriptions would establish standards of care which would undermine the concept of reasonable medical judgment outlined by the amendment.

The AAP also noted that much of the language used by HHS in defining the withholding concept is vague and confusing. For example, the law states that treatment need not be given if it will merely prolong dying; HHS says treatment can be withheld "where death is imminent." Physicians may be able to determine that a patient will die and that providing certain treatment will merely prolong dying, but may not be able to judge exactly when death will occur, the task force noted.

The proposed rules suggest, but do not require, establishment of Infant Care Review Committees. Non-binding guidelines for the committees, included in the pro-

posal, also are far too restrictive, the task force believes.

First, the proposal states that the basic policy for such committees should be to prevent withholding of medically indicated treatment. That concept is different from the Academy's view that the committees' primary function should be to assure that treatment is in the best interests of the infant — particularly in view of the elaborated definitions contained in the HHS proposal.

The preamble to the rules are inconsistent as to whether committees should report directly to a state child protective agency whenever treatment is inappropriately withheld. The amendment passed by Congress mandates that a "designated person" within the hospital make such a report. The AAP's position is that the designated person should not be the committee itself, because such an arrangement might have the effect of making the committee an arm of the state agency.

The task force also believes that the proposed rules appear to concentrate on such disabilities as Down Syndrome and spina bifida, and in so doing fail to recognize the vast spectrum of neonatal problems which can occur in other newborns. The proposal's restrictive language could lead to inappropriate decisions in treating those other infants, task force members noted. They also were concerned that the rules' confusing language could lead to over-referral of severely ill newborns to tertiary care centers, which in turn could jeopardize the survival of treatable infants.

The AAP is generally supportive, however, with procedures for state child protective agencies outlined in the proposed rules. New, state-level bureaucracies are not required by the proposal. As a result, the good relations most state agencies now have with hospitals probably would be preserved. ■

## Junior Fellows offered AAP insurance

Junior Fellows who join the Academy during 1985 are being offered one year of complimentary disability insurance coverage — in addition to one year of complimentary term life insurance that first was offered last year.

Members of the AAP Group Insurance Trust voted in mid-December to offer Junior Fellows the disability income insurance policy which carries a \$1,000 per-month benefit, with a 30-day waiting period after joining the Academy. Competitive premiums will be offered at the end of the complimentary year.

Trust members approved the complimentary insurance policies after reviewing the success of last year's \$50,000 term life insurance offer. About 330 Junior Fellows participated in the 1984 program.

Members anticipate that 500 term life and 500 disability income policies will be issued to Junior Fellows in 1985.

Junior Fellows also are eligible for other insurance policies offered to all AAP members. Those include:

• **Office Overhead Expense.** Benefits are paid for continuing office expenses (i.e., rent, utility bills, employees' salary, etc.) when illness or accident leaves you totally disabled. Premiums generally are tax deductible.

• **Comprehensive Major Medical.** Two plans are offered: \$1

million lifetime benefit or \$1 million benefit per illness. Pays in- or out-of-hospital expenses on an 80, 90, or 100 percent schedule after a deductible of your choosing.

• **Daily Hospital Benefits.** Offered as a supplement to other hospital/medical plans. Benefits are paid directly to you if you're confined as a hospital in-patient. Pays from the first day of hospitalization and supplements all other insurance.

• **Group Life Insurance.** A term policy available to you, your family and employees.

• **IRA.** A variable annuity that offers a fixed interest rate guaranteed annually or the option to make deposits in money market or other investment accounts. All contributions reduce current tax liability and accrued interest and dividends are tax deferred until you retire.

• **Personal Catastrophe Liability Insurance.** A personal umbrella policy that provides \$1 to \$5 million dollars in excess coverage over your basic homeowners and auto liability insurance.

For more information on insurance programs, contact: Pediatric Insurance Consultants, Inc., 141 Northwest Point Rd., Elk Grove Village, IL 60007. (800) 257-3220. (In Illinois, Hawaii and Alaska call collect: (312) 439-3220.) ■