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New Members of the 113th Congress

The new members of the 113th Congress consist of at least 79 new House members: 44 Democrats and 35 Republicans. California has the largest incoming group with eleven new members, followed by Texas with eight new members.

Unlike two years ago when the new members were predominantly Republican, this class has slightly more Democrats, as well as more women and minorities. The House will have nine new Latino members, five new Asian-Americans and five new African-Americans. Eight of the "new" members are former members: six Democrats and two Republicans. Democrats won 25 of the 33 seats contested in the Senate and expanded their majority by two. The Senate now has 12 new Senators, including two women, which means that there will be 20 female Senators, the highest number ever. Before the newly-elected members are all officially sworn in, they will have the opportunity to interact with the current members of Congress during elections for Democratic and Republican leadership positions and in the congressional committee placement assignments process.

When Congress convenes in January, there will be over 160 lawmakers who were elected between 2010 and 2012, which is over one-third of the House. Speaker John Boehner (R-OH) and Minority Leader Nancy Pelosi (D-CA) will remain the leaders in the House of Representatives. Senator Harry Reid (D-NV) will continue as Majority Leader and Senator Mitch McConnell (R-KY) will continue as Minority Leader of the Senate. The newly-elected members of the 113th Congress will be sworn in on January 3, 2013.

President Barack Obama Wins Re-election: Health Care Ranked Third in Importance as Ballot Issue for Voters during November Elections

On November 6, 2012, President Barack Obama won re-election, and according to a tracking poll from the Kaiser Family Foundation, the Affordable Care Act (ACA) and overall health care were very important factors influencing how the electorate voted during the November elections.

The Foundation conducted a survey of 1,223 voters and asked them to identify the top two factors influencing their decision (without providing choices) when casting their ballots. While the issue came in third – with the candidates' characteristics and the economy as the leading factors– the survey results showed that voters were concerned about health care. According to the survey, "When voters were asked to assess the importance of a lengthy list of issues to their votes, large shares named a variety of health issues as a major factor in their vote, including: the future of the Medicare program (70%), the ACA (69%), the future of Medicaid (61%), and the candidates' views on women's health issues (57%)."

Federal Student Aid Issues for the Obama Administration and the 113th Congress

Now that the November elections have passed, there are several outstanding student aid issues that higher education institutions and organizations expect to be on the agenda of the 113th Congress and the White House. According to the National Association of Student Financial Aid Administrators (NASFAA), the 113th Congress will have to address the following student aid issues over the next two years:

- Student Loan Interest Rates: While Congress passed a one-year extension of the 3.4 percent interest rate for Direct Subsidized Stafford Loans, preventing the rate from
increasing to 6.8 percent, it will need to address this issue again before July 1, 2013, to prevent the interest rate on these loans from increasing.

- **Pell Grant Shortfall**: The recent Federal Pell Grant Program expansion has driven up costs and will force Congress to deal with finding resources for funding. Congress may have to consider eligibility criteria to avoid a funding shortfall for the program.

- **Education Tax Benefits**: Four education tax benefits will expire on Dec. 31, 2012 — the American Opportunity Tax Credit, the Student Loan Interest Deduction, the Coverdell Education Savings Accounts, and the Employer-Provided Educational Assistance. While income tax filers for 2012 will be able to claim these tax credit benefits, they will not be available for the 2013 tax year unless Congress takes action by Dec. 31, 2013.

- **Higher Education Act Reauthorization**: The renewal of the Higher Education Act is also due in 2014. While the hope is to accomplish this action in a shorter time frame, there are several other education bills that are due to be reauthorized that have yet to be completed, including the Elementary and Secondary Education Act (ESEA).

ADEA will continue to work with members of Congress, their staff, and the Administration to ensure that they understand how these student aid issues impact our membership. We will keep you updated of any advances in the areas mentioned above.

**President Obama and Members of Congress Face Threat of “Fiscal Cliff”**

As lawmakers returned to Washington from the Thanksgiving holiday, President Obama and congressional leaders continued their efforts to prevent the fiscal cliff. The fiscal cliff is a combination of expiring tax cuts (Bush tax cuts) and across-the-board government spending cuts (sequestration mandated by the Budget Control Act [BCA] of 2011) scheduled to take effect January 1, 2013. The sequester can be avoided by either repealing the portion of the BCA mandating the cuts or by passing $1.2 trillion in deficit reductions.

As of January 1, 2013, about $500 billion in tax increases and $200 billion in spending cuts are scheduled to take effect. With less than five weeks until the deadline, there is relatively little time left to negotiate. Democrats are negotiating for $1.6 trillion in new taxes over the next decade collected from those earning more than $250,000 a year. One of their proposals is to let the top two tax rates return to 36 percent and 39.6 percent when the Bush tax cuts expire. Republicans are negotiating to maintain the Bush rates, at 33 percent and 35 percent, through 2013. They want to raise cash by rewriting the tax code and eliminating individual loopholes and certain deductions.

Both parties agree that doing nothing is probably not an alternative, however they do not agree on much more. As President Obama and congressional leaders prepare for a second face-to-face meeting, the negotiations will likely focus on a solution that calls for an immediate down payment, likely to include tax hikes and spending cuts, along with targets for further tax increases and entitlement cuts to be achieved through a broader debt-reduction effort next year.

As an alternative not widely discussed, there is nothing stopping Congress and the Administration from postponing the fiscal cliff until 2013 or 2014. Congress would simply need to vote to extend all or some of the Bush tax cuts and payroll tax cuts. By doing so, Congress, in essence, votes to override the sequester so that none of the spending cuts take effect. ADEA will keep everyone apprised as we approach the so-called “fiscal cliff.”
ADEA Joins the Institute of Medicine’s Global Forum on Innovation in Health Professional Education

ADEA participated in the Institute of Medicine’s (IOM) Global Forum on Innovation in Health Professional Education held on November 29-30, 2012. The workshop, “Educating for Practice: Learning How to Improve Health from Interprofessional Models across the Continuum of Education to Practice”, included a dialogue between stakeholders from diverse disciplines and sectors on linking interprofessional education (IPE) and practice.

ADEA’s Executive Director Dr. Richard W. Valachovic, D.M.D., M.P.H served as a member of the IOM Global forum, which focused on how health professional education can continue to apply an ongoing, multinational, multidisciplinary approach to exploring promising innovations in health education. The forum included elements from the 2010 IOM Report on The Future of Nursing, and the 2010 Lancet Commission Report, and provided innovative mechanisms to cultivate new and develop formal partnerships between university-based health institutions that are undertaking recommendations put forward in the reports.

The workshop was held at the Keck Center in Washington, DC, and other forums on interprofessional education and innovations are being held throughout the world, including Canada, India, South Africa, and Uganda.

U.S. Department of Education Announces New Initiatives to Improve Loan Servicing for Borrowers

On November 9, 2012, the U.S. Department of Education (Department) announced that it will be implementing two initiatives in November and December 2012 to improve loan portfolio management needs. In efforts to improve the servicing of the William D. Ford Federal Direct Loan (Direct Loan) Program and the Federal Family Education Loan (FFEL) Program, the Department will assign newly-made traditional direct consolidation loans to one of two servicers- FedLoan Servicing (PHEAA) and Sallie Mae. This initiative is a part of the Obama Administration’s ongoing work to ease the burdens borrowers face when managing their federally-owned loans, particularly those with multiple portfolios.

This traditional consolidation loan servicing assignment initiative will assist borrowers managing their federal consolidated loans, and allow them to correspond directly to FedLoan Servicing (PHEAA) or Sallie Mae. This initiative will affect borrowers whose traditional Direct Consolidation Loans are made on or after November 5, 2012. However, this initiative does not apply to consolidation loans that were made earlier this year through the Special Direct Consolidation Loan initiative because they are generally serviced by the federal loan servicer that completed the consolidation.

The Department will also implement a loan transfer initiative that will affect borrowers whose Direct Loans assigned to the Direct Loan Servicing Center (ACS) are in an in-school or in-school deferment status. Through this initiative, the Department will transfer a borrower’s Direct Loans that are currently assigned to the Direct Loan Servicing Center (ACS) to a new servicer – FedLoan Servicing (PHEAA), Great Lakes Educational Loan Services, Inc., Nelnet, or Sallie Mae. Both initiatives have reduced the number of loan servicers borrowers will have to deal with in their efforts to successfully manage their loan portfolios.
Obama Administration Moves Forward with Implementing Affordable Care Act’s Key Provisions

On November 20, 2012, the U.S. Department of Health and Human Services (HHS) released three proposed rules and a notice that will help in the implementation of the Affordable Care Act (ACA). These rules provide further guidance for implementing the essential health benefits, coverage requirements, and prevention methods for discrimination against those who have pre-existing conditions. Brief summaries for the proposed rules are as follows:

- **“Rate Review” Rule**: This rule implements ACA policies related to “fair health insurance premiums, guaranteed availability, guaranteed renewability, risk pools, and catastrophic plans.” It focuses on implementing several key provisions in ACA to prevent insurance companies from discriminating against people with “pre-existing conditions,” and to protect consumers from insurance company abuses. The proposed rule standardizes how health insurance issuers price products, bringing a new level of transparency and fairness to prevent them from using separate insurance pools within markets to get around the market reforms. Further, the rule prohibits issuers from charging people with greater health problems higher premiums by increasing their premiums at higher rates than other healthier risk pools.

- **Essential Health Benefits Coverage (EHB) Rule**: This rule defines the “essential health benefits” that must be offered to most Americans under ACA. It outlines health insurance issuer standards related to the coverage of EHB and the determination of actuarial value (AV), while providing states the flexibility to determine how EHB are defined. The rule proposes a timeline for when issuers offering coverage in a Federally-facilitated Exchange or State Partnership Exchange must become accredited. Pediatric services, including oral care, are among the 10 categories that States must offer in their EHB coverage.

- **Employment-based Wellness Programs Rule**: This proposed rule continues to support workplace wellness programs, such as “participatory wellness programs” which are available without regard to an individual’s health status. The rule also outlines amended standards for nondiscriminatory practices in “health-contingent wellness programs.” These programs generally require individuals to meet a specific standard related to their health to obtain a reward.

In addition, HHS released a notice that announces the recognition of the National Committee for Quality Assurance and URAC as recognized accrediting entities for the purposes of fulfilling the accreditation requirement as part of States’ qualified health plan certifications. These rules translate the provisions of the health care law into detailed standards that can be enforced by state and federal officials.

Affordable Care Act’s Medical Device Tax Set to Increase Industry’s Federal Tax Liability

The Advanced Medical Technology Association (AdvaMed) issued a report prepared by Ernst & Young LLP, which focused on the new 2.3 percent medical device excise tax. The report was issued as the industry gears up for lobbying to repeal the excise tax created by the Affordable Care Act (ACA) that will go into effect January 1, 2013.

The Association asserts that medical technology companies will pay about $8.7 billion in overall federal income taxes in 2013, and based on estimates from Congress’s Joint Committee on
Taxation, the medical device tax will add $2.5 billion to that tab. The 2.3 percent tax will be on sales of FDA-approved devices that are used by a physician or in a physician's office. It's intended to generate $20 billion over the next several years, which is expected to offset some of the healthcare reform costs.

In the context of health care reform legislation, Congress imposed several new excise taxes or fees—including the device tax—to raise revenue to aid in offsetting the cost of new insurance coverage provisions. On June 7, 2012, the Republican-controlled House of Representatives passed legislation to repeal the medical device tax in ACA, but it was not voted on in the Senate. If the bill would have passed both chambers of Congress, the ACA’s controversial tax on medical devices would have been eliminated.

As negotiations continue between Congressional lawmakers to avoid the “fiscal cliff,” one option on the table could be to postpone the tax for another year. If this is not agreed upon, the tax will go into effect as scheduled.

**Department of Health and Human Services Issues Final Rule Calling for 27.4% Physician Pay Cut**

On November 1, 2012, the Department of Health and Human Services (HHS) and its Centers for Medicare and Medicaid Services (CMS) issued a final rule to update Medicare’s payment rates for services on the Physician Fee Schedule (PFS) by a reduction of 27.4% for services furnished during calendar year 2013. Under current law, providers will face steep across-the-board reductions in payment rates, based on a formula—the Sustainable Growth Rate (SGR)–that was adopted in the Balanced Budget Act of 1997.

Since 2002, Congress annually has passed a series of short-term bills to block scheduled cuts to Medicare reimbursement rates under the sustainable growth rate formula that determines Medicare reimbursement rates for physicians. The most recent "doc-fix" bill, enacted in December 2010, is scheduled to expire on January 1, 2013, at which point physicians will face a 29.4% payment rate cut.

Also, HHS finalized cost and quality measures that will help establish a new value-based modifier to adjust payments for physicians who provide higher quality and more efficient care. CMS will accept comments on the final rule published in the Federal Register until January 3, 2012.

**New Statistical Brief: Emergency Department Visits for Dental-Related Conditions for the Year 2009**

The Healthcare Cost and Utilization Project (HCUP) has posted a brief on Emergency Department (ED) Visits for Dental-Related Conditions. In the brief, patient characteristics of ED visits for dental care are described, and dental visits that resulted in a hospital admission are compared to treat-and-release ED visits. The brief presents nationwide data on the visits, many of which stem from tooth decay. You may access the brief here.

**Robert Wood Johnson Foundation Celebrates 40 Years and Commits $425 Million to Grants for 2013**

The Board of Trustees of the Robert Wood Johnson Foundation (RWJF), the nation's largest philanthropy focused exclusively on improving U.S. health and health care, marked its 40th
anniversary by announcing the approval of up to $425 million in grant-making during 2013. Since its inception in 1972, the Foundation has awarded more than $9 billion in grants, with grantees located in every state in the country. It envisions a nation where all Americans have access to high-quality, patient-centered care.

The Foundation’s funding will be focused in three interrelated areas: increasing efforts that help people stay healthy; lowering national health care costs; and improving access to high-quality care, delivered by a diverse and abundant workforce. "Robert Wood Johnson's legacy is one of tremendous service and incredible foresight in addressing the most pressing challenges facing the health of all Americans," said former New Jersey Governor Thomas Kean, chairman of RWJF’s Board of Trustees. RWJF intends to award funds in 2013 to hundreds of organizations working to improve health nationally and in dozens of targeted communities.

The Patient-Centered Outcomes Research Institute Seeks Applications for Projects to Address Gaps in Comparative-Effectiveness Research Methods

In an announcement, the Patient-Centered Outcomes Research Institute, a Washington-based not-for-profit established by the Affordable Care Act, said it plans to fund as many as 14 projects. The Institute’s goal is to improve this field of research by building data infrastructure, improving analytic methods, and training researchers, patients, and other stakeholders to participate in the conducting of research.

The group has announced other funding opportunities this year, including a call in September 2012 for applications for $96 million in grants for clinical comparative-effectiveness research. This is the first round of funds that specifically addresses research methods—one of five priority areas outlined in PCORI's original research agenda.

Letters of intent are due on January 31, and PCORI said it plans to announce the grant winners in spring 2013.

ADEA/Sunstar Americas, Inc./Jack Bresch Student Legislative Internship

The ADEA/Sunstar Americas, Inc./Jack Bresch Student Legislative Internship is a six-week, stipend-supported internship in the Advocacy and Governmental Relations portfolio of the ADEA Policy Center (ADEA AGR) in Washington, D.C. This student legislative internship provides a unique learning experience for predoctoral, allied, and advanced dental students, residents, and fellows. It is designed to encourage students to learn about and eventually—as dental professionals—to become involved in the federal legislative process and the formulation of public policy as it relates to academic dentistry. It is open to any predoctoral, allied, or advanced dental student resident, or fellow who is interested in learning about and contributing to the formulation of federal public policy with regard to dental education, dental research, and the oral health of the nation. Funded through the generous support of Sunstar Americas, Inc., the student intern will be a member of the ADEA AGR staff and will participate in congressional meetings on Capitol Hill, coalition meetings, and policy discussions among the ADEA Legislative Advisory Committee (ADEA LAC) and ADEA AGR staff.

An applicant must be a full-time predoctoral, allied, or advanced dental student resident, or fellow whose institution is willing to work with the student to identify an appropriate time, consisting of six weeks, during the school year to pursue the internship. For additional information, please email Yvonne Knight, J.D., ADEA Senior Vice President for Advocacy
Applications are accepted on a year-round basis.

**ADEA/Sunstar Americas, Inc./Harry W. Bruce, Jr. Legislative Fellowship**

Dental school faculty members or administrators who want to interface with members of Congress on issues of importance to oral health are encouraged to apply for the **ADEA/Sunstar Americas, Inc./Harry W. Bruce, Jr. Legislative Fellowship**. The fellow selected spends three months in Washington, D.C., working on issues and policies that could make a difference in the lives of every American.

This public policy fellowship coincides with congressional consideration of the federal budget and other legislative and regulatory activities important to dental education and research. The fellow functions as an ADEA Policy Center staff member who works within the AGR portfolio on ADEA’s specific legislative priorities. The fellow’s responsibilities may include drafting policy, legislative language, position papers, and testimony; educating members of Congress and other decision makers on matters of importance to dental education; and participating in gatherings of various national coalitions. The fellow receives a taxable stipend of $15,000 to cover travel and expenses for approximately three months (cumulative) in Washington, DC. (ADEA is flexible in the arrangement of time away from the fellow’s institution). The fellow’s institution continues to provide salary support for the duration of the experience. Since its inception in 1985, the ADEA/Sunstar Americas, Inc./Harry W. Bruce, Jr. Legislative Fellowship has been generously underwritten by Sunstar Americas, Inc. Interested candidates should apply as soon as possible.

**Congressional Resources**

For those interested in following the action in Congress, please feel free to access the U.S. House or Senate by way of the following links:

**U.S. House of Representatives:** [House Website](#)

**U.S. Senate:** [Senate Website](#)

**Funding Opportunities**

Below are selected funding opportunities that might be of interest; you may search for additional federal government funding opportunities at [Grants.gov](#).

**Department of Health and Human Services**

Imaging Diagnostics of Dental Diseases and Conditions (Caries, Periodontal Disease, Cracked Teeth, and Pulp Vitality)

- [Grant Information](#)

Pathophysiology and Clinical Studies of Osteonecrosis of the Jaw

- [Grant Information](#)
National Institutes of Health
Administrative Supplements for Collaborative Science: Opportunities for Existing NIDCR Grants and Cooperative Agreements
Grant Information

Omnibus Solicitation of the NIH, CDC, FDA and ACF for Small Business Innovation Research Grant Applications
Grant Information

Notice of Intent to Publish a Funding Opportunity Announcement for Opportunities for Collaborative Research at the NIH Clinical Center
Grant Information

Research Supplements to Promote Diversity in Health-Related Research
Grant Information

Quotable

“Live as if you were to die tomorrow. Learn as if you were to live forever.”

Mahatma Gandhi

The ADEA Washington Update is published by the ADEA Policy Center monthly when Congress is in session. Its purpose is to keep ADEA members abreast of federal issues and events of interest to the academic dental and research communities.

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