

LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - **All Filers Are Required To Complete This Page**

1. Registrant Name:

MARSHFIELD CLINIC

2. Address:

1000 N OAK AVE, MARSHFIELD, WI 54449

3. Principal place of business (if different from line 2):

4. Contact Name: BRENT V. MILLER

Telephone: 2023275463

E-mail (optional): miller.brent@marshfieldclinic.org

Senate ID #: 57830-12

House ID #: 35355000

7. Client Name: Self

TYPE OF REPORT

8. Year 2006 Midyear (January 1 - June 30): **OR** Year End (July 1 - December 31):

9. Check if this filing amends a previously filed version of this report:

10. Check if this is a Termination Report: => Termination Date: _____ 11. No Lobbying Activity:

INCOME OR EXPENSES

Complete Either Line 12 **OR** Line 13

12. Lobbying Firms

INCOME relating to lobbying activities for this reporting period was:

Less than \$10,000:

\$10,000 or more: => Income (nearest \$20,000): _____

Provide a good faith estimate, rounded to the nearest \$20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).

13. Organizations

EXPENSES relating to lobbying activities for this reporting period were:

Less than \$10,000:

\$10,000 or more: => Expenses (nearest \$20,000): 154,366.00

14. Reporting Method.

Check box to indicate expense accounting method. See instructions for description of options.

- Method A.** Reporting amounts using LDA definitions only
 Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code
 Method C. Reporting amounts under section 162(e) of the Internal Revenue Code

Registrant Name: MARSHFIELD CLINIC Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: BUD (one per page)

16. Specific lobbying issues:

the provision of Medicare and Medicaid services and benefits to patients, incentives to promote electronic health records for all Americans, medical liability reform, prescription drug benefits. Provisions in the President FY 2007 Budget and related appropriations legislation including public health programs in health and wellness and prevention; plant and animal inspections and programs; bioterrorism preparedness -- human, food, animal; human, animal and plant laboratory networks and response networks; Johns research and eradication; Chronic Wasting Disease eradication and diagnosis; Avian flu; syndromic surveillance; National Institutes of Health research funding; research on childhood agricultural safety and health; waterborne disease research. Labor HHS Appropriations, HR 5647, Appropriations for Community Health Centers, Increased Funding for Tele-health Activities. Defense Appropriations HR 5631 support for funding for Optical Gene Mapping of Engineered Biological Warfare Agents. Provisions of the President's FY2007 Budget and related appropriations legislation (H Con Res 376, S Con Res 83) and the Deficit Reduction Act (S 1932, HR 4241) related to implementation of the Medicare Advantage and Prescription Drug Programs.

17. House(s) of Congress and Federal agencies contacted:

Agency for Health Care Policy & Research
Centers For Medicare and Medicaid Services (CMS)
Government Accountability Office (GAO)
HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
Health Resources & Services Administration (HRSA)
SENATE
White House Office

18. Name of each individual who acted as a lobbyist in this issue area:

Name: FARNSWORTH, KATHLEEN E.
Covered Official Position (if applicable): N/A
Name: MILLER, BRENT V.
Covered Official Position (if applicable): N/A
Name: NYCZ, GREG R.
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MARSHFIELD CLINIC Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: HCR (one per page)

16. Specific lobbying issues:

and would be regulated by the DOL rather than the state. Implementation of the Patient Safety and Quality Improvement Act of 2005 (HR 3205) introduced by Rep. Michael Bilirakis (R-FLA) was enacted as Public Law 109-41 on 7/29/2005. This law Amended the Public Health Service Act to designate patient safety work product as privileged and not subject to: (1) a subpoena or discovery in a civil, criminal, or administrative disciplinary proceeding against a provider; (2) disclosure under the Freedom of Information Act (FOIA) or a similar law; (3) admission as evidence in any civil, criminal, or administrative proceeding; or (4) admission in a professional disciplinary proceeding. Defines "patient safety work product" as any data, reports, records, memoranda, analysis, or written or oral statements which: (1) are assembled or developed by a provider for reporting to a patient safety organization (PSO); (2) are developed by a PSO for patient safety activities and which could result in improved patient safety or health care quality or outcomes; or (3) identify or constitute the deliberations or analysis of, or identify the fact of reporting pursuant to, a patient safety evaluation system. Medical Liability HR 5, the Help Efficient, Accessible, Low Cost, Timely Healthcare (HEALTH) Act of 2005 introduced by Rep. Phil Gingrey (R-GA) - Sets forth provisions regulating lawsuits for health care liability claims concerning the provision of health care goods or services or any medical product affecting interstate commerce. Sets a statute of limitations of three years after the date of manifestation of injury or one year after the claimant discovers the injury, or should have discovered the injury. Limits noneconomic damages to \$250,000. Requires court supervision over payment arrangements to protect against conflicts of interest that may reduce the amount of damages awarded that are actually paid to claimants. Allows the court to restrict the payment of attorney contingency fees. HR 534, the Help Efficient, Accessible, Low-Cost, Timely Healthcare (HEALTH) Act of 2005, introduced by Rep. Chris Cox in the House and S. 354 by Senator John Ensign in the Senate to improve patient access to health care services and provide improved medical care by reducing the excessive burden the liability system places on the health care delivery system. The Health Insurance Marketplace Modernization and Affordability Act, (S 1955), enables the formation of small business health plans (SBHPs), which are group health plans sponsored by trade, industry, or similar business associations that meet ERISA certification requirements

17. House(s) of Congress and Federal agencies contacted:

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HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
Health Resources & Services Administration (HRSA)
SENATE
White House Office

18. Name of each individual who acted as a lobbyist in this issue area:

Name: MILLER, BRENT V.

Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MARSHFIELD CLINIC Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: LBR (one per page)

16. Specific lobbying issues:

H.R. 4437 Section 701 would create an electronic verification system for employment. This new system will be based on the current "Basic Pilot" system and would require an employer to check, within three working days of hire, each new employee's work eligibility and identity using a toll-free telephone line or other electronic medium. H.R. 4437 section 702 establishes a secondary verification process that must be initiated to confirm the validity of the information provided and would be required to provide the employer with a confirmation or non-verification of work eligibility within ten working days after the initial non-confirmation. Employers would not be allowed to terminate individuals that had received a tentative non-confirmation until the employer had received a non-verification or the ten-day period of time had elapsed. In this process a "Tentative non-confirmation of work eligibility" appears to be problematic, because the system has a high percentage of "false positives" attributable to data base errors. H.R. 4437, the Border Protection, Antiterrorism, and Illegal Immigration Control Act of 2005 amends the Immigration and Nationality Act (INA) to curtail illegal immigration through enhanced enforcement of immigration laws and border security.

17. House(s) of Congress and Federal agencies contacted:
HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: MILLER, BRENT V.
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MARSHFIELD CLINIC Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: MED (one per page)

16. Specific lobbying issues:

that may be modeled after the National Health Service Corps' scholarship and loan repayment programs, to alleviate the shortage of medical laboratory personnel where needed. HR 2218 Medicare Laboratory Services Access Act of 2005 introduced by Rep English, Phil - Amends title XVIII (Medicare) of the Social Security Act (SSA) to specify as \$5.78 for 2006, adjusted for inflation in each subsequent year, the nominal fee for collecting specimens for clinical diagnostic laboratory tests under Medicare. Oppose limits on the laboratory CPI update. Lab Competitive Bidding -- The MMA '03 has required that HHS conduct a demonstration program on competitive bidding for clinical lab tests furnished without a face-to-face encounter between the Medicare beneficiary and the hospital personnel or physician performing the test. CMS views the competitive bidding design as a means to establish new lab fees based on costs. The current lab fee schedule is hopelessly outdated, and should be revised, but we urge caution regarding the structure and comprehensiveness of the demonstration. Competitive bidding will subordinate timeliness and specimen integrity in lab analysis to bulk quantity analysis at the expense of quality patient care. Lab fee schedule changes should be consistent with the emerging emphasis on quality and performance-based reimbursement. HR 1175 Medical Laboratory Personnel Shortage Act of 2005 introduced by Rep. Schimkus- Amends the Public Health Service Act to require the Secretary of Health and Human Services (HHS), through scholarships and loans for health professional training

17. House(s) of Congress and Federal agencies contacted:

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Government Accountability Office (GAO)
HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
Health Resources & Services Administration (HRSA)
SENATE
White House Office

18. Name of each individual who acted as a lobbyist in this issue area:

Name: MILLER, BRENT V.
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: MMM (one per page)

16. Specific lobbying issues:

Subtitle D: Additional Demonstrations, Studies, and Other Provisions - (Sec. 646) Amends SSA title XVIII to direct the Secretary to establish a 5-year demonstration program under which the Secretary is required to approve demonstration projects that examine health delivery factors that encourage the delivery of improved quality in patient care. (Sec. 649) Directs the Secretary to establish a pay-for-performance demonstration program with physicians to meet the needs of eligible beneficiaries through the adoption and use of health information technology and evidence-based outcomes measures. Title IX: Subtitle E: Miscellaneous Provisions - (Sec. 953) Requires the Comptroller General to report to Congress on: (1) the appropriateness of the updates in the conversion factor including the appropriateness of the sustainable growth rate formula for 2002 and subsequently. Deficit Reduction Act (Section 5102) reduced reimbursements for multiple images on contiguous body parts in 2006; the DRA provision created in statute a basis for payment reductions on the imaging of contiguous body parts that CMS implemented through the rulemaking process in 2005; the DRA also requires that payment rates for imaging services delivered in physician offices do not exceed payment rates for identical imaging services delivered in hospital outpatient departments beginning in 2007. Clinic recommends that Congress repeal Section 5102, and direct MedPAC and CMS to conduct a comprehensive study of imaging and the geographic variation in services. Medicare Advisory Committee review of the scientific evidence pertaining to vertebroplasty and kyphoplasty. CMS Physician Group Practice Demonstration On September 27, 2002 the Centers for Medicare and Medicaid Services published a notice in the Federal Register informing interested parties of an opportunity to submit proposals for participation in the Medicare Physician Group Practice Demonstration (PGP) project. Marshfield Clinic submitted a proposal for this demonstration and was selected by CMS to participate in the demonstration program, effective April 1, 2005. Oppose limits on the laboratory CPI update. Ambulatory Surgical Center Medicare Payment Modernization Act of 2005, H.R. 4042/S. 1884 Legislation introduced by Representative Wally Herger (R-CA) and Senator Mike Crapo (R-ID), would amend the law to reform the method for determining Medicare payment rates for ambulatory surgical centers (ASCs). This legislation would expand Medicare beneficiaries' access to care in ASCs. Title III: Combating Waste, Fraud, and Abuse - (Sec. 303) requires the Secretary, beginning in 2004, to make adjustments in practice expense relative value units for certain drug administration services when establishing the physician fee schedule. Title IV: Rural Provisions - Subtitle B: Provisions Relating to Part B Only - (Sec. 412) Directs the Secretary to increase the work geographic index to 1.00 for any locality for which such work geographic index is less than 1.00 for services furnished on or after January 1, 2004, and before January 1, 2007. Since this provision expires at the end of 2006 it must be extended or revised. (Sec. 413) Establishes a new five percent incentive payment program designed to reward both primary care and specialist care physicians for furnishing physicians' services on or after January 1, 2005, and before January 1, 2008 in physician scarcity areas. Directs the Secretary to pay the current law ten percent Health Professional Shortage Area (HPSA) incentive payment for services furnished in full county primary care geographic area HPSAs automatically rather than having the physician identify the health professional shortage area involved. Directs the Comptroller General to conduct a study for a report to Congress on the differences in payment amounts under the Medicare physician fee schedule for physicians' services in different geographic areas. Title VI: Provisions Relating to Part B - Subtitle A: Provisions Relating to Physicians' Services (Sec. 605) Requires the Secretary to review and consider alternative data sources than those currently used to establish the geographic index for the practice expense component under the Medicare physician fee schedule no later than January 1, 2005. (Sec. 606) Directs the MEDPAC to submit to Congress: (1) a report on the effect of refinements to the practice expense component of payments for physicians' services after the transition to a full resource-based payment system in 2002; and (2) a report on the extent to which increases in the volume of physicians' services under Medicare part B are a result of care that improves the health and well-being of Medicare beneficiaries. Subtitle C: Other Provisions - (Sec. 626) Provides that in FY 2004, starting April 1, 2004, the ambulatory surgery center (ASC) update will be the Consumer Price Index for all urban consumers (U.S. city average) as estimated as of March 31, 2003, minus 3.0 percentage points. Provides that in FY 2005, the last quarter of calendar year 2005, and each of calendar years 2006 through 2009, the ASC update will be zero percent. (Sec. 628) Provides that there will be no updates to the clinical diagnostic laboratory test fee schedule for 2004 through 2008. HR 4157, the Health Information Technology Promotion Act, introduced by Rep. Nancy Johnson (R-CT) Rep. Nathan Deal establishes within the Department of Health and Human Services an Office of the National Coordinator for Health Information Technology. Payment Fairness for Practice Costs The formulas by which Medicare's payments are calculated are widely variable throughout Medicare localities, and are based upon outdated data assumptions regarding the cost and organization of medical practice. Alternatives: CMS administratively revise its measurements of the costs of practice to assure the validity and fairness of payments; a payment floor could be established for practice expense; or the present variation [1,705 | 1,501] in practice expense could be channeled into a narrower corridor of adjustment Payment Equity In MMA '03, Congress established a floor payment mechanism for the physician work component of Medicare payment for '04 | '06 to assure that physicians in low payment localities were compensated for their work at least at the national average payment amount. This payment floor should be extended indefinitely or geographic adjustment of work should be eliminated entirely. H.R. 5118 Section 5, SEC. 5. Extension of Floor on Medicare Work Geographic Adjustment. Introduced by Rep. Greg Walden Medicare Part D Call Center Requirements CMS issued a February 2006 guidance (Attachment 1) requiring customer service call centers to be open 8 a.m. through 8 p.m. 7 days per week, including holidays. Pharmacy technical help desks are required to be open 24 hours/day 7 days per week if there are network pharmacies open for this period. Medicare Prescription Drug, Improvement, and Modernization Act of 2003 - Public Law No. 108-173: Title II: Medicare Advantage - Subtitle B: Immediate Improvements - (Sec. 211) Revises the payment system, requiring all plans to be paid at a rate at least as high as the rate for traditional Medicare fee-for-service plans. Subtitle D: Additional Reforms - (Sec. 237) Provides that Federally Qualified Health Centers (FQHCs) will receive a wrap-around payment for the reasonable

Registrant Name: MARSHFIELD CLINIC Client Name: Self

costs of care provided to Medicare managed care patients served at such centers. (Sec. 238) Requires the Secretary to enter into an arrangement under which the Institute of Medicine of the National Academy of Sciences shall conduct an evaluation (for the Secretary and Congress) of leading health care performance measures in the public and private sectors and options to implement policies that align performance with payment under the Medicare program. the provision of Medicare and Medicaid services and benefits to patients, incentives to promote electronic health records for all Americans, and prescription drug benefits. Tax Relief and Health Care Act of 2006 (HR 6111) coupled a tax extenders and trade bill with a number of Medicare and Medicaid provisions including a physician fee freeze, a 1.5% bonus for physicians who report performance measures, extension of the Medicare physician work adjuster floor, and extension of the therapy services cap. Sustainable Growth Rate Medicare's SGR mechanism unfairly links physician payment updates to factors unrelated to patients' needs and the cost of providing patient care. If the SGR formula is not changed, Medicare program trustees predict that Medicare physician payments will be cut by 31% between 2006-2013. S.1081, by Senators Jon Kyl (R-AZ) and Debbie Stabenow (D-MI), the Preserving Patient Access to Physicians Act, would replace projected Medicare payment cuts with positive updates in each of the next two years. H.R. 2356, Reps. Clay Shaw (R-FL) and Ben Cardin (D-MD) A bill to amend title XVIII of the Social Security Act to reform the Medicare physician payment update system through repeal of the sustainable growth rate (SGR) payment update system. Pay-for Reporting and Performance S. 1356, Introduced by Senators Chuck Grassley (R-IA) and Max Baucus (D-MT), the Medicare Value Purchasing Act, a bill that links physician payment to quality performance, increasing payment by 2% incrementally between 2008 and 2012, and funding the performance payments by drawing funds from physicians who do not report quality performance. HR 3617, the Medicare Value-Based Purchasing for Physician Services Act introduced by Rep. Nancy Johnson (R-CT) amends Part B (Supplementary Medical Insurance) of title XVIII (Medicare) of the Social Security Act to provide for value-based purchasing in the payment for physicians' services under the Medicare program. On October 28, 2005, the Centers for Medicare and Medicaid Services (CMS) proposed the Physicians Voluntary Reporting Program (PVVP). In the program CMS calls on physicians to report on a "Core Starter Set" of 16 evidence-based performance measures selected with input from the National Quality Forum, the Ambulatory Care Quality Alliance, and the National Committee for Quality Assurance, (NCQA). Information Technology S. 1418, the Wired for Health Care Quality Act introduced by Senator Michael Enzi (R-WY) - Amends the Public Health Service Act to establish the Office of the National Coordinator of Health Information Technology to coordinate and oversee programs and activities to develop a nationwide interoperable health information technology infrastructure. Provisions of the President's FY2007 Budget and related appropriations legislation (H Con Res 376, S Con Res 83) and the Deficit Reduction Act (S. 1932, HR 4241) related to implementation of the Medicare Advantage and Prescription Drug Programs.

17. House(s) of Congress and Federal agencies contacted:

Agency for Health Care Policy & Research
Centers For Medicare and Medicaid Services (CMS)
Government Accountability Office (GAO)
HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
Health Resources & Services Administration (HRSA)
SENATE
White House Office

18. Name of each individual who acted as a lobbyist in this issue area:

Name: MILLER, BRENT V.
Covered Official Position (if applicable): N/A
Name: NYCZ, GREG R.
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MARSHFIELD CLINIC Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: TAX (one per page)

16. Specific lobbying issues:

Of the health-related organizations, hospitals constitute almost three-quarters of total revenues. Congress is looking at several issues: how the standards for tax-exemption evolved; what criteria are used to assess if organizations meet the tax-exempt standard; whether tax-exempt organizations operate principally as businesses selling their services in a competitive market. Section 306 of S 2020, the Tax relief Act of 2005 introduced by Senator Chuck Grassley (R-IA) SEC. 306. Modifies Section 512(B)(13) of the Tax code requiring the certification by auditors or legal counsel of the Unrelated Business Taxable Income for certain not-for-profit Organizations. The provision requires every applicable exempt organization to include in its tax return a statement by an independent auditor or an independent counsel that certifies to the best of the auditor's or counsel's knowledge, the allocation of expenses between the unrelated trades and business of the organization and the activities related to the purpose or function constituting the basis of the organization's exemption under section 501 complies with the requirements set forth by the Secretary under section 512. According to the Joint Committee on Taxation, health-related organizations make up the largest percentage of Section 501(c)(3) non-profit organizations, accounting for almost 60 percent of total revenues of the 501(c)(3)s.

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: MILLER, BRENT V.

Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Signature: ON FILE Date: Jan 30, 2007

Printed Name and Title: BRENT V. MILLER, DIRECTOR OF FEDERAL GOVERNMENT RE -

Registrant Name: MARSHFIELD CLINIC Client Name: Self

Information Update Page:

Complete ONLY where registration information has changed.

LOBBYIST UPDATE

23. Name of each previously reported individual who is NO LONGER expected to act as a lobbyist for the client

Name: FARNSWORTH, KATHLEEN E.

ISSUE UPDATE

24. General lobbying issues previously reported that NO LONGER pertain

AFFILIATED ORGANIZATIONS

25. Add the following organization(s)

26. Name of each previously reported organization that is NO LONGER affiliated with the registrant or client

FOREIGN ENTITIES

27. Add the following foreign entities

28. Name of each previously reported foreign entity the NO LONGER owns, OR controls, OR is affiliated with the registrant, client or affiliated organization

Signature: ON FILE Date: Jan 30, 2007

Printed Name and Title: -