Clerk of the House of Representatives	Secretary of the Senate
Legislative Resource Center	Office of Public Records
B-106 Cannon Building	232 Hart Building
Washington, DC 20515	Washington, DC 20510

Secretary of the Senate
Received: Feb 04, 2005

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: REED HALL
Telephone: 715-387-5511
E-mail (optional): hall.reed@marshfieldclinic.org

Senate ID #: 57830-12
House ID #: 35355000

7. Client Name: ☒ Self

TYPE OF REPORT

8. Year 2004 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): 211,129.00

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

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:

Provisions of the President's FY2005 Budget (H Con Res 95, S Con Res 95) related to Medicare reform, the provision of Medicare and Medicaid services and benefits to patients, incentives to promote the implementation of health information technology, medical liability reform, prescription drug benefits. Demonstration grant programs to increase patient safety through the application of computerized prescriber order entry systems to reduce preventable adverse drug reactions. Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations for 2005. Appropriations for Community Health Centers Appropriations for the Family Health Center to provide dental services Appropriations for rural telehealth grant programs in HRSA and HRSA rural health outreach grants. Appropriations for Laboratory Response Network in CDC. Appropriations for Personalized Medicine Research Programs in NIH. Appropriations for the Laird Center for Applied Sciences

17. House(s) of Congress and Federal agencies contacted:
Agency for Health Care Policy & Research
Centers For Medicare and Medicaid Services (CMS)
Congressional Budget Office (CBO)
Food & Drug Administration (FDA)
General Accounting Office (GAO)
HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
Health Resources & Services Administration (HRSA)
SENATE

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**

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: FOO (one per page)

16. Specific lobbying issues:

Development of governmental advice and consultation and research methods relevant to food safety services including but not limited to laboratory test development, topical research on genetics as well as zoonosis. Generally, Marshfield Clinic Laboratories' status relative to federal programs/initiatives in DHFS and USDA on the topics of CWD and Food Safety. Specifically investigation of: 1) USDA's determination that Marshfield Clinic Laboratories are not eligible to conduct certain kinds of tests which can at this point in time only be conducted by "federally-certified laboratories"; 2) the degree to which there exists a USDA "federal certification" process for laboratories; 3) feasibility of designating Marshfield Clinic Laboratories in a way so as to be "federally-certified" absent such a process in USDA for what it considers today to be "non-governmental" or "non-academic" laboratories; 4)processes for DHFS and USDA "recognition" of new, rapid testing scientific procedures as those "accepted" by USDA and FDA relative to their public health roles in food safety.

17. House(s) of Congress and Federal agencies contacted:
Agriculture, Dept of (USDA)
Food & Drug Administration (FDA)
HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
SENATE

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**

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:

HR 5, the Help Efficient, Accessible, Low-Cost, Timely Healthcare (HEALTH) Act of 2003, introduced by Rep. James Greenwood in the House and S. 607 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. S 2061 A bill to improve women's health access to health care services and provide improved medical care by reducing the excessive burden the liability system places on the delivery of obstetrical and gynecological services | introduced by Senator Judd Gregg. S 2207 A bill to improve women's access to health care services, and the access of all individuals to emergency and trauma care services, by reducing the excessive burden the liability system places on the delivery of such services | introduced by Senator Judd Gregg. HR663, the Patient Safety and Quality Improvement Act, introduced by Rep. Michael Bilirakis in the House Amends the Public Health Service Act to make patient safety work product privileged information. Defines "patient safety work product" as a record concerning patient information either reported to a patient safety organization by a health care provider (doctor, hospital, etc.) or created by a patient safety organization. Defines a "patient safety organization" as an organization, certified under this Act, that collects such information with the goal of improving patient safety and the quality of health care delivery. HR 877: The Patient Safety Improvement Act introduced by Rep. Nancy Johnson Amends title XI of the Social Security Act to add a new part D (Patient Safety Improvements) to provide for voluntary reporting to the Secretary of Health and Human Services of patient safety data. Prescribes confidentiality and peer review protections for such data. Directs the Secretary to ensure that the Center for Quality Improvement and Patient Safety supports public and private sector initiatives to improve patient safety for items and services furnished through health care providers. S. 1053, the Genetic Information Nondiscrimination Act of 2003, introduced by Senator Olympia Snowe. Amends the Employee Retirement Income Security Act of 1974, the Public Health Service Act, and the Internal Revenue Code to prohibit health discrimination on the basis of genetic information or services. Defines genetic information as genetic tests of an individual or family member or occurrence of a disease or disorder in family members used to predict risk of disease in asymptomatic or undiagnosed individuals. Defines genetic services as health services provided for genetic education and counseling.

17. House(s) of Congress and Federal agencies contacted:
Agency for Health Care Policy & Research
Centers For Medicare and Medicaid Services (CMS)
Congressional Budget Office (CBO)
Executive Office of the President
General Accounting Office (GAO)
HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
Health Resources & Services Administration (HRSA)
SENATE

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**

LOBBYING ACTIVITY.

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

16. Specific lobbying issues:

HR 623 Medical Laboratory Personnel Shortage Act of 2003 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 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 883 Medicare Laboratory Services Access Act of 2003 introduced by Rep English, Phil - Amends title XVIII (Medicare) of the Social Security Act (SSA) to specify as $5.42 for 2004, 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.

17. House(s) of Congress and Federal agencies contacted:
Agency for Health Care Policy & Research
Centers For Medicare and Medicaid Services (CMS)
Congressional Budget Office (CBO)
General Accounting Office (GAO)
HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
Health Resources & Services Administration (HRSA)
SENATE

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**

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:

Medicare Prescription Drug, Improvement, and Modernization Act of 2003 - Public Law No: 108-173 (Sec. 106) Establishes a State Pharmaceutical Assistance Transition Commission to develop a proposal for addressing the unique transitional issues facing State pharmaceutical assistance programs as a result of the enactment of this Act. (Sec. 108) Authorizes the Secretary to make grants to physicians for the purpose of assisting them to implement electronic prescription drug programs that comply with appropriate standards. Authorizes appropriations. 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. Makes change in budget neutrality for blend. Increases minimum percentage increase to national growth rate. Requires the Secretary to submit to Congress a report that describes the impact of additional financing provided under this Act and other Acts on the availability on Medicare Advantage plans in different areas and its impact on lowering premiums and increasing benefits under such plans. Subtitle C: Offering of Medicare Advantage (MA) Regional Plans; Medicare Advantage Competition - (Sec. 221) Directs the Secretary to establish regional plans to encourage private plans to serve Medicare beneficiaries in from 10 to 50 regions, including in rural areas, within the 50 States and the District of Columbia beginning not later than January 1, 2005. Includes risk corridors for plans during the first two years of the program in 2006 and 2007; a stabilization fund to encourage plan entry and limit plan withdrawals; a blended benchmark that will allow plan bids to influence the benchmark amount; and network adequacy stabilization payments to assist plans in forming adequate networks, particularly in rural areas. Subtitle D: Additional Reforms - (Sec. 237) Provides that Federally Qualified Heatlh Centers (FQHCs) will receive a wrap-around payment for the reasonable costs of care provided to Medicare managed care patients served at such centers. Raises reimbursements to FQHCs in order that when they are combined with MA payments and cost-sharing payments from beneficiaries they equal 100 percent of the reasonable costs of providing such services. Extends the safe harbor to include any remuneration between a FQHC (or entity controlled by an FQHC) and an MA organization. (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. Title III: Combatting Waste, Fraud, and Abuse - (Sec. 302) Directs the Secretary to conduct a demonstration project on the application of competitive acquisition to clinical diagnostic laboratory tests. (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; (2) require the Secretary to use the survey data submitted to the Secretary as of January 1, 2003, by a certain physician specialty organization; and (3) require the Secretary, beginning in 2005, to use supplemental survey data to adjust practice expense relative value units for certain drug administration services in the physician fee schedule if that supplemental survey data includes information on the expenses associated with administering drugs and biologicals the administration of drugs and biologicals, the survey meets criteria for acceptance, and the survey is submitted by March 1, 2004, for 2005, or March 1, 2005, for 2006. Requires the Secretary to: (1) promptly evaluate existing drug administration codes for physicians' services to ensure accurate reporting and billing for such services, taking into account levels of complexity of the administration and resource consumption; (2) make adjustments to the nonphysician work pool methodology for the determination of practice expense relative value units under the physician fee schedule so that practice expense relative value units for services determined under such methodology are not affected relative to the practice expense relative value units of services not determined under such methodology; and (3) review and appropriately modify Medicare's payment policy in effect on October 1, 2003, for the administration of more than one drug or biological to an individual on a single day through the push technique. Makes the increase in expenditures resulting from this provision exempt from the budget-neutrality requirement in 2004. Requires a transitional adjustment or additional payment for services furnished from January 1, 2004, through December 31, 2005, to be made for drug administration services. Requires the part B payment to be made to the physician and equal a percentage of the payment otherwise made. Directs the MEDPAC to review the payment changes made under this section insofar as they affect payments under Medicare part B for items and services furnished by oncologists and for drug administration services furnished by other specialists. Requires the Commission to submit a report to the Secretary and Congress and for the Secretary to make appropriate payment adjustments on the basis of such report. Provides that the following drugs and biologicals are to be paid at 95 percent of the average wholesale price (AWP): (1) a drug or biological furnished before January 1, 2004; (2) blood clotting factors furnished during 2004; (3) a drug or biological furnished during 2004 that was not available for part B payment as of April 1, 2003; (3) pneumoccal influenza and hepatitus B vaccines furnished on or after January 1, 2004; and (4) a drug or biological furnished during 2004 in connection with the furnishing of renal dialysis services if separately billed by renal dialysis facilities. Provides in general that payments for other drugs furnished in 2004 will equal 85 percent of the AWP (determined as of April 1, 2003). Provides that, beginning in 2005, drugs or biologicals, except for pneumococcal, influenza, and hepatitis B vaccines and those associated with certain renal dialysis services, will be paid using either the average sales price methodology or through the competitive acquisition program. Provides that infusion drugs furnished through covered durable medical equipment starting January 1, 2004, will be paid at 95 percent of the AWP in effect on October 1, 2003, and that those infusion drugs which may be furnished in a competitive area starting January 1, 2007, will be paid on the competitive price. Provides that intravenous immune globulin will be paid at 95 percent of the AWP in 2004 and paid according to the average sales price method in 2005. 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. (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 scarity 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. (Sec. 417) Amends the Balanced Budget Act of 1997 to extend the telemedicine demonstration project by 4 years and to increase total funding for the project. Subtitle D: (Sec. 432) Amends SSA title VII to expand the functions of the Office of Rural Health Policy to include administering grants, cooperative agreements, and contracts to provide technical assistance and other necessary activities to support activities related to improving health care in rural areas. (Sec. 433) Directs the MEDPAC to conduct a study of specified rural provisions of this title for various reports to Congress. Title VI: Provisions Relating to Part B - Subtitle A: Provisions Relating to Physicians' Services - Amends SSA title XVIII with respect to payment for physicians' services to: (1) provide that the update to the conversion factor for 2004 and 2005 will not be less than 1.5 percent; (2) modify the formula for calculating the sustainable growth rate to provide that the gross domestic product factor will be based on the annual average change over the preceding 10 years (a 10-year rolling average); (Sec. 604) Directs the Comptroller General to conduct a study for a report to Congress on access of Medicare beneficiaries to physician's services under the Medicare program. (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. Requires the Secretary to select two physician payment localities for such purposes, one to be a rural area and the other one will be a statewide locality that includes both urban and rural areas. (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. Provides that upon implementation of the new ASC payment system, the Secretary will no longer be required to update ASC rates based on a survey of the actual audited costs incurred by a representative sample of ASCs every five years. Provides that subject to recommendations by the General Accounting Office, the Secretary will implement a revised payment system for payment of surgical services furnished in ASCs. Requires the new system to be implemented so that it is first effective on or after January 1, 2006, and not later than January 1, 2008. Requires the Comptroller General to conduct a study for a report to Congress that compares the relative costs of procedures furnished in ambulatory surgical centers to the relative costs of procedures furnished in hospital outpatient departments. (Sec. 628) Provides that there will be no updates to the clinical diagnostic laboratory test fee schedule for 2004 through 2008. 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. 648) Directs the Secretary to establish demonstration projects under which the Secretary is required to evaluate methods that improve the quality of care provided to individuals with chronic conditions and that reduce expenditures that would otherwise be made under the Medicare program on behalf of such individuals for such chronic conditions. Requires the Secretary to conduct a demonstration project in at least one area that the Secretary determines has a population of individuals entitled to benefits under Medicare part A, and enrolled under Medicare part B, with a rate of incidence of diabetes that significantly exceeds the national average rate of all areas. (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 VII: Provisions Relating to Parts A and B - Subtitle C: Chronic Care Improvement - (Sec. 721) Amends SSA title XVIII to require the Secretary to provide for the phased-in development, testing, evaluation, and implementation of chronic care improvement programs. Requires the programs to be designed to improve clinical quality and beneficiary satisfaction and achieve spending targets with respect to expenditures under Medicare for targeted beneficiaries with one or more threshold conditions. Makes necessary appropriations. (Sec. 722) Requires each Medicare Advantage organization to have an ongoing quality improvement program for improving the quality of care provided to enrollees in each MA plan offered by such organization (other than an MA private fee-for-service plan or an MSA plan) effective for contract years beginning January 1, 2006. Requires as part of the quality improvement program for each MA organization to have a chronic care improvement program. 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. Requires the report to examine the stability and predictability of such updates and rate and alternatives for the use of such rate in the updates; and (2) all aspects of physician compensation for services furnished under Medicare and how those aspects interact and the effect on appropriate compensation for physician services. Subtitle B: Miscellaneous (Sec. 1012) Directs the Secretary to establish the Commission on Systemic Interoperability to develop a comprehensive strategy for the adoption and implementation of health care information technology standards, that includes a timeline and prioritization for such adoption and implementation. Authorizes appropriations. HR 1539, the Hospital Investment Act of 2003, introduced by Rep. G. Kleczka, amends title XVIII (Medicare) of the Social Security Act to limit the hospital ownership exception to physician self-referral restrictions to interests purchased on terms generally available to the public HR 1622, the Quality Cancer Care Preservation Act, introduced by Rep. Charles Norwood and Lois Capps, to amend title XVIII of the Social Security Act and otherwise revise the Medicare Program to reform the method of paying for covered drugs, drug administration services, and chemotherapy support services. HR 2161, the Prescription Value Act introduced by Rep. Doug Bereuter, which would require the Agency for Healthcare Research and Quality (AHRQ) to collect and assess scientific evidence regarding the value of prescription drugs frequently used by Medicare or Medicaid beneficiaries. 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 to test a hybrid payment methodology that combines Medicare fee-for-service payments with a bonus pool derived from savings achieved by improvements in patient care management. Marshfield Clinic submitted a proposal for this demonstration and remains in contact with the

Centers for Medicare and Medicaid Services regarding the proposal. HR 883 Medicare Laboratory Services Access Act of 2003 introduced by Rep English, Phil - Amends title XVIII (Medicare) of the Social Security Act (SSA) to specify as $5.42 for 2004, adjusted for inflation in each subsequent year, the nominal fee for collecting specimens for clinical diagnostic laboratory tests under Medicare. Request for an advisory opinion regarding the "Stark Law" Section 1877(g)(6) of the Social Security Act and Sections 411.370 et seq. of Title 42 of the Code of Federal Regulations. Whether Marshfield Clinic's physician-shareholders have an ownership or investment interest in Marshfield Clinic for purposes of the Stark Law. Oppose limits on the laboratory CPI update.

17. House(s) of Congress and Federal agencies contacted:
Agency for Health Care Policy & Research
Centers For Medicare and Medicaid Services (CMS)
Congressional Budget Office (CBO)
Executive Office of the President
General Accounting Office (GAO)
HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
Health Resources & Services Administration (HRSA)
SENATE

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**

Signature: ON FILE Date: Feb 04, 2005

Printed Name and Title: REED E. HALL - EXECUTIVE DIRECTOR