

Customized Briefing for Kimberly Barry-Curley

September 29, 2014

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Consumer Directed Healthcare News

Uninsured Also in the News

Leading the News

Second ACA Enrollment Period Provides Fresh Challenges For Officials, Insurers.

The Wall Street Journal [9/28, Armour, Radnofsky, Subscription Publication) reports that as the Affordable Care act second open-enrollment period approaches, insurers and public officials need to work on retaining those who signed up last year while working to convince those who did not enroll to take a fresh look at the process. The Journal notes that last week, HHS Secretary Sylvia Mathews Burwell said, "Both are a priority; we have to do both." Anne Filipic, president of Enroll America, is quoted as saying, "This year, we have to walk and chew gum at the same time. ... There are millions who did not enroll...we need to reach and get in the door, and millions who got coverage and aren't sure what to expect."

In its overview of the successes of the Affordable Care Act, the <u>Dayton (OH) Daily News</u> **f** (9/27, Tucker) reported on expectations that the next open enrollment will be more successful than the first.

Narrow Networks Raise Concern As Open Enrollment Approaches. Modern Healthcare (9/26, Subscription Publication) reported on the nationwide controversy over narrow networks as the Affordable Care Act enters its second open enrollment period. The landmark health law "has heightened concerns about narrow-network plans that have proved popular with consumers during the first year." Several states are considering legislation to improve access to care, including California and South Dakota. Similarly, Kaiser Health News (9/26, Hancock) covered criticism of health insurance plans that do not offer hospital benefits. A Los Angeles Times (9/28, Terhune, Poindexter, Smith) analysis of the looming open enrollment period reports that Covered California is endorsing "the industry's narrow network strategy as a way to keep premiums affordable" and in some instances, "they are cutting the number of physicians even more." There are fears that such restrictions on physician access may compromise the quality of care for some exchange participants.

Congressional Quarterly (9/26, Adams, Subscription Publication) reported that state health insurance commissioners are considering changes to their standards for minimum network quality. The Affordable Care Act grants the Centers for Medicare and Medicaid Services (CMS) the authority to regulate network adequacy, and the Federal agency is seen as waiting for state action before taking on the issue.

The <u>Toledo (OH) Blade</u> [9/28, Harris-Taylor) reports on the differences between the number of people insured under the ACA and the quality of care they are able to receive.

From NAHU

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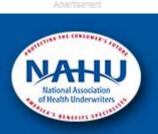
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Legislation and Policy



ACOs Show Varied Progress.

Modern Healthcare **I** (9/26, Evans, Subscription Publication) reports on the status of Medicare's accountable care organization, noting "Quality varied widely during their first year, with a few earning millions of dollars in bonuses but scoring below average on all but a handful of quality measures." The article considers possible drivers in differences in quality between ACOs.

Political Campaigns Reflect Differing Views On ACA.

As November's midterm elections loom nearer, several outlets show the varying approaches candidates are taking toward the Affordable Care Act.

The Sioux Falls (SD) Argus Leader [(9/27, Montgomery) reported that all four candidates for US Senate from South Dakota agree that the status quo of healthcare in this country is in need of serious changes, not they all bring difference approaches. The article reflected on the problems with healthcare and the divergent strategies to fixing it.

The Detroit Free Press **f** (9/26, Egan) offered a fact check of an ad from the Republican Governors Association that slams Michigan gubernatorial candidate Mark Schauer (D) over the ACA. The analysis concludes that the ad "is largely factual but includes key statements that are highly misleading."

The Lexington (KY) Herald-Leader [9/27, Cheves) reported on criticism of claims by Kentucky Republicans that the ACA has been responsible for job loses in their state. Economists say data suggest the law is likely to be "a net gain for the economy."

The Daily Caller [9/26, Hurtubise] reported on the case of a retired Tennessee couple that says its health insurance was cancelled because of a change in income. Joseph Ballard's wife took a part-time job, which lowered the family's eligibility for subsidies. According to Joseph, that resulted in the policy being terminated altogether. The Daily Caller noted, "Federal Centers for Medicare and Medicaid Services officials denied that this was the case."

New from NAHU DRNFR

Exchange Participants Encouraged To Review Insurance Options Rather Than Automatically Re-Enroll.

Fox News [9/27, Angle] reported on the potential pitfalls of automatic re-enrollment in health insurance plans acquired through ACA exchanges. Consumers may find themselves surprised by changing subsidies, benefit levels, provider networks, and other concerns. Health policy analysts encourage people to review all of their options and consider changing their policy.

Survey: More Employers Considering Private Exchanges.

MarketWatch f[0/26, Britt) reported on a survey that found "nearly one in four employers could move their employees' health plans

to private exchanges within the next few years." At the same time, the Towers Watson & Co. survey found "virtually no" companies looking to transfer their employees on to health insurance exchanges created by the Affordable Care Act. The company queried 492 companies.

DHS: Most New Undocumented Immigrant Families Fail To Report.

The AP (9/26, Caldwell) reports DHS officials "privately acknowledged" Wednesday to a "working group" on immigration policies that, since October, about 70% of families failed to follow orders to report back to immigration authorities within 15 days of being caught illegally crossing the Mexican border and released into the US. The AP estimates the 70% figure represents about 41,000 individuals. The unidentified official who gave the percentage also said "final deportation" was ordered for at least 860 people apprehended with relatives at the border since May, but only 14 reported. ICE spokeswoman Gillian Christensen said the no-show percentage was "an approximate snapshot" of cases since May. Some people might still report to immigration court hearings, she said, while a "significant" number of deportation cases remain active.

The Wall Street Journal (9/27, A4, Jordan, Subscription Publication) cites Royce Bernstein Murray, policy director at the National Immigrant Justice Center in Chicago, as saying the data mentioned at the DHS meeting contradicts previous information about compliance levels among undocumented immigrants ordered to report and that it must be studied so that problems can be addressed. The New Orleans Times-Picayune (9/27, Avery) reports that four of the state's five GOP House members – Reps. Bill Cassidy, Vance McAllister, Charles Boustany, and John Fleming – in the wake of the DHS disclosure, sent HHS Secretary Sylvia Burwell a letter asking how the 1,275 "unaccompanied alien children" in Louisiana are being tracked. She responded by saying preference parents, relatives. or family friends are responsible for making the children available for immigration proceedings, but she didn't say the US government checks the immigration status of those who take in the children, an approach the Republican congressmen decried.

Out-Of-Network Emergency Physicians Leave Patients With Unexpected Bills.

The New York Times (9/29, Rosenthal, Subscription Publication) reports that some emergency department physicians are not participants in the same health insurance networks as the hospitals in which they work, often leaving patients with large and unexpected medical bills. Unlike in the 1980s, when the overwhelming majority of emergency doctors were hospital employees and did not bill separately, many hospitals employee medical staff who are contractors with different billing processes than the facility in which they work. Patient advocates call for reforms in the system because patients seeking emergency care have no way of knowing if they are being treated by an in-network or out-of-network physician. American College of Emergency Physicians Reimbursement Committee Chairman Dr. Jeffrey Bettinger described the practice, as the Times put it, as "an unusual phenomenon and expressed doubt that the practice was widespread. When it occurred, he added, it was typically because of insurers' unwillingness to pay doctors a reasonable rate compared to what they pay hospitals for their services."

Individual Mandate Penalties Due April 15.

The Wall Street Journal [9/26, Saunders, Subscription Publication) reported on the Affordable Care Act's penalties for not carrying health insurance. The penalties start at a minimum of \$90 for an individual in the upcoming tax season and will rise rapidly over the next several years. For people with jobs, the penalty starts at one percent this year before rising to 2.5% of adjusted gross income in 2016. Families without any insured members face much steeper penalties.

Kansas City Fed Finds Link Between ACA, Higher Rate Of Self-Employment.

The Memphis (TN) Business Journal [9/26, Domrzalski, Subscription Publication) reports online that, according to a Federal Reserve Bank of Kansas City (MO), the ACA could lead to more people becoming self-employed in New Mexico or other states by making health insurance more affordable. The Kansas City Fed considered Massachusetts' enactment of a statewide health insurance reform law in 2006. After that year, self-employed people as a percentage of total employment fell across the :US and the Northeast but remained flat in Massachusetts. At the same time, the Bay State's rate of uninsured among self-employed dropped, despite a nationwide increase.

Thousands Must Prove Residency Or Lose Insurance Coverage.

Southern California Public Radio [9/28] reported that thousands of people in California have until tomorrow to prove they are legal residents of the United States. Users of Covered California who do not prove their eligibility face the loss of coverage if they miss the deadline.

Public Health and Private Healthcare Systems

Employers Reining In Healthcare Costs At Own Expense.

Forbes [9/26, Binder) reports the 2014 Kaiser/HRET Employer Health Benefits Survey found an average 3% increase in employer-based health insurance premiums, kept low by increasing enrollment in high deductible plans, argued to be an unintended consequence of the Affordable Care Act, though it was an intended goal of Bush reforms. The article specifically cites two-thirds of large employers offering high-deductible plans paired with tax-protected health savings accounts, to which they voluntarily contribute significantly. Additionally, employers are excluding some benefits from deductible requirements such as preventative care, prescriptions, and chronic disease services. The article closes on investment in wellness and disease management programs, the exploding market to meet demand, and Intel and GE's Validation Institute to investigate such company's effectiveness claims.

Two East St. Louis Women Plead Guilty To Medicaid Fraud.

The <u>Belleville (IL) News-Democrat</u> **f** [9/26) briefly reports two East St. Louis women have pleaded guilty to falsifying time sheets, which allowed them to receive personal assistant payments during times when their clients were actually in the hospital.

CVS' Caremark Unit Settles US False Claims Allegations For \$6M.

Reuters [9/26, Stempel) reports CVS' Caremark unit will pay a \$6 million settlement following Federal allegations that it knowingly failed to reimburse Medicaid for prescriptions paid for "dual eligible" patients also covered by private Caremark health plans. A former Caremark employee will receive \$1.02 million with interest under the False Claims Act's whistle blower provisions. CVS has denied wrongdoing, citing a computer platform billing error.

Report: Access To Care Standards For New Medicaid Enrollees Vary Widely.

According to a report to be released this week by HHS Inspector General Daniel R. Levinson, although Medicaid enrollment is "surging" under the Affordable Care Act, "the Obama administration and state officials have done little to ensure that new beneficiaries have access to doctors after they get their Medicaid cards," the New York Times (9/28, Pear, Subscription Publication) reports. In the report, Levinson revealed that "state standards for access to care vary widely and are rarely enforced," which forces many Medicaid patients to "wait for months or travel long distances to see a doctor."

President Obama Criticizes GOP Governors For Not Expanding Medicaid.

The New Orleans Times-Picayune (9/27, Alpert) reported that President Obama "took aim" at Republican governors who have not yet expanded Medicaid in saying during an address to the Congressional Black Caucus Foundation dinner, "It always puzzles me when you decide to take a stand to make sure poor folks in your state can't get health insurance even though it doesn't cost you a dime." Several of those Republican governors, including Louisiana Governor Bobby Jindal (R), defended themselves "during separate speeches before the Family Research Council's Values Voter Summit." Said Jindal of Obama's allegations, "When viewing the Obama administration, are we witnessing the most incompetent administration in our lifetimes? Or are we witnessing the most extremely ideologically liberal administration in our lifetimes?"

California Governor Vetoes Bill Protecting Estates Of Deceased Medi-Cal Beneficiaries.

The Kaiser Health News [9/27, Webber] "Capsules" blog reported that Governor Jerry Brown (D-CA) vetoed a bill that "would have shielded the assets of people who receive Medicaid, known as Medi-Cal in California, from being recouped by the state after their deaths." In a letter to the state senate, Brown wrote, "Allowing more estate protection for the next generation may be a worthy policy goal. The cost of this change, however, needs to be considered alongside other worthwhile policy changes in the budget process next year." Modern Healthcare [9/26, Dickson, Subscription Publication) also covered the story.

Tennessee Governor Continues To Negotiate Medicaid Expansion.

The AP [6](9/26, Schelzig) reported that Tennessee Governor Bill Haslam (R) "says he's still in talks over finding a way to expand Medicaid" in his state despite "pushback from fellow Republicans in the state Legislature." In a conference call with reporters, the governor said "he wants to find a solution that is acceptable both to US Department of Health and Human Services" and also "to largely skeptical lawmakers in Tennessee, who must approve any deal under a law passed earlier this year."

In a separate piece, the AP [9/27, Loller] reported on Tennessee's appeal to the Federal courts to "overturn a ruling that the state's

Medicaid program must provide applicants with a fair hearing if it cannot process their requests on time." The state "has blamed the delays on the federal government." The <u>Tennessean</u> [9/26, Wilemon) also reported on this story.

Advocates Decry Lack Of Clarity In Healthy PA Eligibility And Benefits Packages.

The Philadelphia Inquirer (9/29, Calandra) reports that two months ahead of open enrollment, "advocates for the low-income uninsured have no idea what benefits packages will be offered" through Pennsylvania Governor Tom Corbett's (R) "Healthy PA" plan "or what criteria will be used to place people in plans." Kristen Dama, a staff attorney with the Community Legal Services in Philadelphia, explained that her agency plans to mitigate the lack of clarity by implementing a "screening process and questionnaire for newly eligible people, followed by a call if necessary to the candidate's medical provider to determine what program the person should be placed in." Editorial: Healthy PA Not A Perfect Solution To Healthcare Access Issues. The Delaware County (PA) Times editorializes that Corbett's Healthy PA will not be a comprehensive solution to the issues facing Pennsylvania's low-income and uninsured populations. The paper writes that "according to the Pennsylvania Budget and Policy Center, it will still not be affordable to many low-income working families and will limit access to critical health services." Additionally, the paper notes that in refusing to expand Medicaid earlier, Corbett "left money on the table that could" have benefited all residents of the state.

HHS OIG: Officials Not Doing Enough To Ensure Reasonable Access to Care.

Modern Healthcare f(9/29), Subscription Publication) reports on a New York Times story f(9/28), Pear, Subscription Publication) that details a forthcoming report from the OIG of HHS that found "federal and state officials have not done enough to ensure that Medicaid beneficiaries have adequate access to physicians," and as a result, "Medicaid patients often must wait for months or travel far to see a doctor." Daniel Levinson, the inspector general, "said this is a particular problem because of the rapid growth of Medicaid enrollment due to eligibility expansion under the" ACA.

Consumer Directed Healthcare News

CVS Refunds 11,000 Illegal Contraceptive Co-Pays.

Kaiser Health News [9/26, Luthra) reports in continuing coverage that CVS Health has issued 11,000 refunds to women improperly charged co-pays for birth control products in Washington DC, Maryland, and Virginia. Such charges are illegal under the terms of the Affordable Care Act, and a CVS spokeswoman apologized for "any inconvenience this issue may have caused."

Uninsured

ACA Brings Dramatic Changes For Uninsured, Hospitals.

The <u>Hamilton (OH) Journal-News</u> [9/28, Tucker), noting a recent HHS estimate that US hospitals will save \$5.7 billion this year from serving fewer uninsured patients, reports on the ACA's "overall impact on a complex network of hospitals, insurance companies and other stakeholders, each focused on a critical area of health care." It recounts the experiences, before and after enactment of the healthcare law in 2010, of several people in the Hamilton-Cincinnati area with pre-existing conditions.

Also in the News

Cyberattack Threat To Medical Devices Spurs Multiagency Response.

The Minneapolis Star Tribune (9/27, Carlson), in a story previewing an October 21-22 public workshop conducted by HHS, the FDA, and DHS on cybersecurity threats facing medical devices and underlying computer systems, says "rapid proliferation of wireless connectivity and even smartphone apps" mean medical technology is "increasingly exposed to hackers and malware in ways that could put millions of Americans' health and finances at risk." It adds that proposed rules the FDA published in 2013 for how device makers should address cybersecurity threats could be finalized before next month's workshop.

Friday's Lead Stories

American Health Spending Growing At Slower Rate.

- Republicans Continue Some Attacks On ACA.
- More New Orleans Doctors Indicted By Feds For \$56 Million Medicare Fraud.
- Study: ACA Increasing Health Coverage Among Young Latinos.

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