



Customized Briefing for Kimberly Barry-Curley

October 7, 2014

<u>Leading the News</u> <u>Legislation and Policy</u> <u>Public Health and Private Healthcare Systems</u> Uninsured

Leading the News

Wal-Mart To Put Health Insurance Agents In Stores.

The Washington Post (10/6, Halzack) reports that Wal-Mart announced yesterday that it was launching a program to allow customers to sign up for health insurance plans in its stores. The retail giant is partnering with DirectHealth.com to put licensed agents in thousands of stores, where people will be able to compare different options before enrolling in coverage.

The Los Angeles Times (10/7, Khouri) reports that agents will begin appearing in 2,700 stores by December 7 to help with enrollment in Medicare and ACA exchange plans. Wal-Mart executives have not yet decided if the program will be reinstated for 2015's open enrollment. Wal-Mart currently has roughly 4,000 stores in the country.

The AP **I** (10/7, D'innocenzio) puts the move in context, noting that Wal-Mart is trying to keep pace with other large retail corporations that have been expanding their presence in the healthcare industry, like CVS and Walgreen. Wal-Mart will not receive a commission and DirectHealth.com will pay most of the cost of implementing the program.

Similarly, MSNBC f[0/7, Resnikoff) comments "Wal-Mart is evolving into far more than a retail chain."

Newsweek (10/7, Ziv) reports that the company already operates primary care clinics and pharmacies, and recently launched a banking program for its customers.

CNN £ (10/6) reports that surveys have found the majority of American consumers are confused by their health insurance options, which Wal-Mart hopes to reduce. CNN notes that consumers under age 65 "will have access to thousands of health exchange plans from more than 300 companies."

TIME **f** (10/7, Gengler) offers a consumer-directed article that explains Wal-Mart's offering in the context of other options available for people to enroll in insurance coverage, including healthcare.gov and visiting a navigator.

Also reporting on the announcement are Forbes **f** (10/6), the <u>Washington Business Journal</u> **f** (10/7, Subscription Publication), and <u>Modern Healthcare</u> **f** (10/6, Subscription Publication).

From NAHU

PPACA Certification Course

Developed by experts in both PPACA and employment law, this high-level 10-hour course will ensure that the student understands the key technical components of PPACA and is better prepared to counsel his or her clients on upcoming required healthcare changes and new options and requirements for health plans.

An overview of all regulations already issued will be presented along with details on specific regulations issued to date. The student will learn what is needed to comply with the new law as well as how the market is likely to change over the next few years and will be able to develop client specific timelines and provide advice to guide clients in planning for the future.

Complete course instruction will be delivered through NAHU's Online Learning Institute (OLI) and followed by a final exam, which is required to obtain certification and continuing education (CE) credits.

Click here to enroll in this course or visit NAHU's PPACA certification webpage for more information.

The PPACA certification course is a certification of expertise in the provisions and implementation of health reform. It does not meet state or federal requirements that may be necessary or required to sell exchange-based plans.



Legislation and Policy

ACA Cancellations Unlikely To Affect Most Insurance Policies.

The New York Times [10/7, Sanger-Katz, Subscription Publication) reports that thousands of health insurance policies are being canceled because they do not reach the minimum standards of the Affordable Care Act. The proximity of the terminations to the midterm elections, as well as memories of the political fervor that erupted when policies were first canceled because of the ACA, has fueled continuing controversy. However, the Times notes that the number of affected policies pales in comparison to the 276 million insured Americans, or even the 20 million people who participate in the individual insurance market.

ACA Contains Cost-Saving Provisions.

Bruce Japsen reports in <u>Forbes</u> <u>I</u> (10/6) that insurers are cutting back on their use of expensive medical devices. Japsen notes that health insurance companies are employing several strategies, including "pay-for-performance, risk-sharing and the use of evidence-based medicine, which can lead to newer devices not being covered by insurance if there's no proof they are better than older devices."

Poll Finds Narrow Majority Of California Voters Support Expanding Health Services To Undocumented Immigrants.

Kaiser Health News [10/7, Aliferis) reports on a new poll that finds broad support among Californians for offering insurance programs to all low-income residents regardless of residency status. The poll was conducted by the California Endowment, which works to expand health services to undocumented immigrants and other groups. Overall, 54% of the 800 registered voters who responded said they support extending coverage to Californians in the country illegally.

GAO: Make Many Inmates Eligible For Medicaid In States Expanding Eligibility.

The Washington Times (10/7, Dinan) reports that according to a new study (10/7) from the Government Accountability Office (GAO), the Affordable Care Act "has made most prison and jail inmates eligible for Medicaid in states that expanded the federal-state health program," but "few inmates are actually getting the kinds of services that can be reimbursed by federal taxpayers." The GAO report found that in California, which expanded its Medicaid program, "72 percent of prison and jail inmates are now eligible for the health program," compared to North Carolina, which did not expand the program, where "just 2 percent are eligible." The Times notes, however, that in California "only a little more than 2 percent of inmates got the kind of care that the federal government will reimburse."

Suzy Khimm writes on the MSNBC (10/7) website that the ACA could lower the number of people who go to prison in the first place

by expanding access to vital health services. For example, past research has shown a negative correlation between access to substance abuse treatment and violent crime.

GAO Offers Historical Insurance Premium Data.

Congressional Quarterly (10/7, Subscription Publication) reports that the Government Accountability Office (GAO) launched a website that allows consumers to explore historical data regarding insurance premiums in virtually any given location in the United States. Rep. Fred Upton (R-MI) requested the publication of updated information. The long-serving Michigan Republican responded to GAO's update in a statement, saying "One of the biggest challenges we have faced throughout the implementation of the president's health care law is getting a complete picture of the law's effects. From premiums to canceled plans to enrollment figures, the administration has been anything but 'the most transparent in history."

Public Health and Private Healthcare Systems

Pence, Burwell Do Not Reach Agreement In Meeting Over Medicaid Expansion.

The AP (10/7) reports that Indiana Governor Mike Pence (R) continues advocating for an alternative Medicaid expansion plan for his state. He met yesterday with Health and Human Services Secretary Sylvia Mathews Burwell but no agreement was reached. Pence also met with President Obama last week to push his plan.

Pence said "differences remain" following the Burwell meeting, according to the <u>Indianapolis Star</u> (10/6, Groppe). The Star describes the Pence plan as "modeled on high-deductible plans with health savings accounts that advocates say give consumers an incentive to make smarter health care spending choices." However, HHS is reluctant to approve plans that require financial contributions from poor residents.

The <u>Times of Northwest Indiana</u> **f** (10/7, Carden) reports the debate affects up to 450,000 Hoosiers who would be eligible for health coverage under the so-called "HIP 2.0" plan.

WLFI-TV I Lafayette, IN (10/6) quotes Pence's comments following the meeting: "I appreciated the opportunity to dialogue today with Secretary Burwell and her team about our proposal to expand the Healthy Indiana Plan as an alternative to traditional Medicaid to cover more low-income Hoosiers. We had a substantive discussion, but we are not there yet. Our administration will continue in good faith regarding our proposal to cover more low-income Hoosiers the Indiana way."

The <u>Washington Examiner</u> **f** (10/7, Klein) speculates that a failure to reach an agreement could help Gov. Pence should he run for the Republican presidential nomination in 2016, as it could insulate him from attacks from the right.

HIV/AIDS Said To "Rage" In States Not Expanding Medicaid.

Jonathan Capehart writes in the Washington Post (10/7) "Post Partisan" blog that only 27 states and the District of Columbia have expanded Medicaid, and those states "that have yet to extend the federal government health care program are also home to some of the highest concentrations of HIV infections and those living with HIV/AIDS." During a panel at the Congressional Black Caucus Foundation legislative conference last month, Lauren Banks of AIDS Alabama presented three maps that showed heavy concentrations of people living with HIV or AIDS in the South. Capehart adds, "You don't need to be a geography whiz to see that the HIV/AIDS epidemic rages in the Southern states that are 'not moving forward at this time' on Medicaid expansion."

Providers Not Signing Up For Pennsylvania Medicaid Managed-Care Plans.

Modern Healthcare (10/7, Dickson, Subscription Publication) reports that Medicaid managed-care plans offering coverage under Pennsylvania's Medicaid expansion "are struggling to find enough hospitals and physicians for their networks," a problem insurers say is due to the false expectations created by Gov. Tom Corbett (R) and the state Department of Public Welfare that the plans would pay providers more than "traditionally low" Medicaid rates. The Medicaid plans "have until Oct. 17 to receive certification from the state that they have enough providers to offer adequate access to the expanded Medicaid-eligible population."

Medicare Enrollment Process Seen As "Daunting."

The Washington Post [10/6] carries a Kaiser Health News story in which Caroline Mayer offers tips on enrolling in Medicare based on her own experience, noting that the process is "daunting" and "confusing." She advises readers first to seek information through

Medicare's "helpful Medicare.gov Web site and its 'Medicare and You' booklet." The piece outlines Medicare's several programs and explains their relative advantages and disadvantages.

Long-Term Fate Of Ohio Medicaid Expansion Unclear.

WKSU-FM Medicaid expansion has extended health coverage to nearly 340,000 residents since January. However, the program's long-term status is uncertain because "Gov. Kasich never won approval from state lawmakers to expand it," instead using an executive action to get around opponents. Speaking at a recent forum in Cleveland, University Hospitals Chief Executive Tom Zenty cautioned that "hundreds of thousands of poor adults in Ohio could lose health coverage in less than 12 months."

Hospitals Hit With Medicare Penalties Over Excessive Readmissions.

The Greater Binghamton (NY) Press & Sun-Bulletin (10/7, Tumulty) reports that the Federal government "began imposing a new round of Medicare penalties on more than 150 New York hospitals Oct. 1 because too many elderly patients were readmitted within 30 days of being treated for certain ailments." About \$428 million in Medicare payments will be withheld from over 2,600 hospitals nationally in fiscal 2015 due to excessive readmissions, up from \$227 million in the fiscal year ended Sept. 30. None of the hospitals in New York will pay the maximum penalty of three percent withheld, but five in the state will have more than two percent withheld.

Buffalo (NY) Business First (10/7, Drury, Subscription Publication) reports that 17 hospitals in Western New York will see reduced Medicare payments as a penalty for excessive readmissions, according to a new report by Kaiser Health News. The article notes that the fines "are part of a readmissions reduction plan by the Centers for Medicare and Medicaid Services designed to improve care at the nation's hospitals."

The Pittsburgh Post-Gazette (10/7, Twedt) reports that about 30 Western Pennsylvania hospitals will receive reduced reimbursement payments from Medicare because of excessive readmission rates. UPMC St. Margaret "was hit with the biggest penalty among the region's general acute care hospitals at 1.28 percent, while Alle-Kiski Medical Center — now Allegheny Valley Hospital — in Natrona Heights was penalized 1.01 percent." According to Kaiser Health News, the average penalty nationwide was 0.63 percent, up from 0.38 percent a year earlier.

The <u>Triangle (NC) Business Journal</u> **f** (10/7, deBruyn, Subscription Publication) reports that about two-thirds of North Carolina hospitals "were hit with Medicare readmission penalties this year, ranking it in the bottom third of states across the nation." Seventy-four hospitals in North Carolina face fines for excessive readmission rates, "with an average hospital penalty of 0.47 percent."

The <u>Indianapolis Business Journal</u> [10/7, Wall) "The Dose" blog reports that 68 Indiana hospitals will be hit with Medicare penalties for excessive readmissions, up from 42 hospitals last year. The piece explains that more hospitals were penalized primarily "because more hospitals qualified for the program this year, and because the number of conditions for which they could be penalized was also expanded from three to five." Penalties averaged 0.62 percent of Medicare payments in Indiana.

Uninsured

Study: Hospitals Profiting From Medication Discount Program For The Poor.

Bloomberg BusinessWeek 10/7, Tozzi) reports that according to a study published in Health Affairs, 340B, a discount program intended to help poor and uninsured patients pay for prescription drugs, "has become an unexpected windfall for hospitals." The program, created under the Veterans Health Care Act in 1992, provides drug discounts to hospitals with a high share of low-income patients. But, by opening outpatient clinics, hospitals can sell the discounted drugs to patients with commercial insurance, keeping the difference as profit. Meanwhile, facilities that have joined the program "since 2004 tend to serve 'communities that were wealthier and had higher rates of health insurance' compared with older participants," the study found.

Modern Healthcare (10/7, Lee, Subscription Publication) reports that scrutiny "over how providers use the 340B savings and revenue along with the program's expansion under the Affordable Care Act has led to calls to reevaluate the program, mainly from the drugmakers that are required to provide discounted drugs to a rapidly growing number of 340B providers." Meanwhile, the Safety Net Hospitals for Pharmaceutical Access defended the use of the program and said that 340B-qualified hospitals "support heavy caseloads of Medicaid and low-income Medicare patients."

Monday's Lead Stories

• Exchanges Readying For Second Open Enrollment.

- LATimes Compares COBRA, ACA Policies.
- Tennessee Governor Reignites Interest In Medicaid Expansion Alternative Proposal.
- Medicaid Scam Siphons \$29M In Taxpayer Funds.

Subscriber Tools

- Change Email Address
- Send Feedback
- Unsubscribe
- Email Help
- Archives

Advertise with Bulletin Media:

Philip Tsolakidis, 703-483-6133

Reach key professionals every morning

NAHU Newswire is a digest of the most important news selected from thousands of sources by the editors of BulletinHealthcare. The National Association of Health Underwriters does not receive any revenue from the advertising herein. The presence of such advertising does not endorse, or imply endorsement of, any products or services by the National Association of Health Underwriters.

This complimentary copy of NAHU Newswire was sent to kim@neebco.com as part of your NAHU membership. View BulletinHealthcare's privacy policy.

Neither BulletinHealthcare nor the National Association of Health Underwriters is liable for the use of or reliance on any information contained in this briefing.

For information about other member benefits, please contact NAHU Member Service Center at 202-552-5060 or membership@nahu.org.

National Association of Health Underwriters | 1212 New York Ave NW Suite 1100 | Washington, DC 20005

Copyright © 2014 by BulletinHealthcare | 11190 Sunrise Valley Drive, Suite 20 | Reston, VA 20191