

Customized Briefing for Kimberly Barry-Curley

January 29, 2013

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Leading the News

Lawmakers, Stakeholders Focus On Medicaid Expansion Across US.

Coverage of the Medicaid expansion decision in states continues Tuesday, including an AP piece which examines the Federal government's offer for expansion, as well as states' worries that the funding may fall through. Beyond that, many reports focus on addresses by two Governors: Missouri Democrat Jay Nixon, who touted his support of expansion, and Tennessee Republican Bill Haslam, who made no definite decision but urged fellow Republicans in the state to remain open-minded. Furthermore, local outlets carry reports on studies, panels, and various discussions of expansion in states including Texas, Virginia, and Oklahoma.

States Concerned Washington Will Renege On Medicaid Expansion Promises. According to the [AP](#) [f](#) [t](#) (1/29, Alonso-Zaldivar), the decision of whether to expand Medicaid could be "the most important decision facing governors and legislatures this year. The repercussions go beyond their budgets, directly affecting the well-being of residents and the finances of critical hospitals." The AP notes the Federal government is promising to cover the full cost of expanding Medicaid for the first three years and 90 percent thereafter, states are concerned "that deficit-burdened Washington sooner or later will renege on the 90-percent deal. The regular Medicaid match rate averages closer to 50 percent. That would represent a significant cost shift to the states."

In Address, Nixon Pushes For Medicaid Expansion In Missouri. The [AP](#) [f](#) [t](#) (1/29, Lieb) reports that in the first State of the State address of Missouri Governor Jay Nixon's second term, the Democrat "laid out perhaps his most ambitious spending plan yet, arguing that it was affordable because of an improving economy and past fiscal restraint." His budget proposal, \$25.7 billion for the fiscal year starting July 1, included "a \$900 million Medicaid expansion for an estimated 259,000 low-income working adults that was called for under President Barack Obama's health care law." The article notes that this was included despite general opposition from Republican leaders. When "the governor argued that the Medicaid expansion was a sound financial decision embraced by many of Missouri's leading business organizations," Democrats cheered, and Republicans remained silent.

The [St. Louis Post-Dispatch](#) [f](#) [t](#) (1/29, Young, 196K) reports that "using a more aggressive tone than usual, Missouri Gov. Jay Nixon urged legislators on Monday to expand Medicaid to hundreds of thousands of uninsured adults and warned that he would go directly to the public to restore campaign contribution limits if lawmakers refuse." After telling "the Republican-controlled Legislature that the time to debate the federal Affordable Care Act was over," Nixon said, "It's not within our power to rewrite federal laws, even if we wanted to. It is within our power - it's our responsibility - to now do what's right for Missouri."



The [Kansas City \(MO\) Star](#) [f](#) [t](#) (1/28, Shelly, 197K) reports that Nixon is "proposing his most expansive budget and agenda yet." Of his "previously announced" decision to back Medicaid expansion, the article notes, "ultimately about 300,000 persons would receive health insurance coverage, and the state would receive an economic and budgetary boost."



The [Joplin \(MO\) Globe](#) [f](#) [t](#) (1/29, Yokley, 21K) reports that Nixon's proposal "calls for the state to accept nearly \$1 billion in federal funds during fiscal year 2014 to expand the program." On this point, Nixon said, "Will we bring the tax dollars Missourians send to Washington back home to Missouri, or will we let them be spent in other states instead? Other states would get the benefits; we'd get the bill."







In a separate report, the [Joplin \(MO\) Globe](#) [f](#) [t](#) (1/29, Redden, 21K) notes that "Proposals by Gov. Jay Nixon to increase spending for education and to expand the Medicaid program in Missouri attracted support Monday from several Joplin area officials." For example, Paula Baker, CEO of Freeman Health System in Joplin, said, "The expansion is very important, not just for health systems, but for



individuals in Missouri. These are working people who are trying to carry their own weight but don't make enough money to access the health care they need."



Also reporting are the [Springfield \(MO\) News-Leader](#)   (1/29, Shorman), the [Columbia \(MO\) Missourian](#)   (1/29, Zarkhin, 6K), and the [St. Louis Beacon](#)   (1/29, Rosenbaum).





Haslam Still Undecided On Medicaid Expansion In Tennessee. The [AP](#)   (1/29, Schelzig) reports that Tennessee Governor Bill Haslam on Monday "presented a \$32.7 billion annual spending plan to lawmakers that includes a staffing shake-up at the troubled Department of Children's Services, a heavy investment in construction projects around the state and a large deposit into the state's cash savings fund." However, Haslam "did not use the occasion to announce a decision on whether the state should expand eligibility to Medicaid to an estimated 145,500 uninsured Tennesseans." He said, "Most of us in this room don't like the Affordable Care Act, but the decision to expand Medicaid isn't as basic as saying, 'No Obamacare, no expansion.'"


The [Chattanooga \(TN\) Times Free Press](#)   (1/29, Sher, 74K) reports, "Haslam urged lawmakers to keep an open mind about expanding its Medicaid program to more than 100,000 Tennesseans under the Affordable Care Act." Still, "Haslam said he remains undecided about the expansion, which is expected to have a tough time in the GOP-run Legislature."



Several other outlets reported on Haslam's budget proposal, including the [Knoxville \(TN\) News Sentinel](#)   (1/29, Humphrey, 83K), the [Memphis \(TN\) Daily News](#)   (1/29, Dries, 2K), and the [Memphis \(TN\) Commercial Appeal](#)   (1/29, Locker, 100K).



North Carolina Governor Says ACA, Medicaid A Top Priority. [NEWS14-TV](#)   Charlotte, NC (1/29) reports that North Carolina Governor Pat McCrory "spoke to more than 200 employees of the Department of Health and Human Services behind closed doors Monday." Julie Henry, a DHHS spokeswoman, said of the meeting, "Well the governor mentioned this morning the big issues that are ahead of us in regard to Medicaid, making decisions about Medicaid expansion, making decisions about how to handle the Affordable Care Act and so he communicated to employees that those are top priorities for him and I think that's very important for our employees to hear."

Oklahoma Lawmakers Still Pushing For Expansion Of Medicaid. The [Talequah \(OK\) Daily Press](#)   (1/29, Snell, 6K) reports on support in Oklahoma for expanding Medicaid, despite Governor Mary Fallin's rejection. For example, "lawmakers – including Rep. Mike Brown, D-Tahlequah, and Sen. Earl Garrison, D-Muskogee – believe Medicaid expansion is crucial." And even Republicans in the state have come out in support of expanding the program, including Rep. Doug Cox, R-Grove, an emergency room physician, who recently said, "I respect Gov. Fallin's decision not to participate in expansion of Medicaid in Oklahoma, but I believe this state should proceed toward a path of conservative, common-sense reform of the Medicaid system to make health care available for our poorest neighbors. Oklahoma can still accept the [federal] dollars in a responsible way."

New Report Aims To Push Perry To Expand Medicaid In Texas. [CQ](#)   (1/29, Adams, Subscription Publication) reports on a new [study](#)  , which is "intended to pressure state legislators and Republican Gov. Rick Perry" to expand Medicaid in Texas. Conducted by "former Texas Chief Deputy Comptroller Billy Hamilton for Texas Impact, a group of religious advocates, and Methodist Healthcare Ministries, a faith-based nonprofit group that supports medical care in part through the organization's part ownership of the Methodist Healthcare System, the largest healthcare system in South Texas," the report found that "if Texas expanded Medicaid, it would gain about \$1.8 billion in new tax revenue from 2014 through 2017 - which could offset about half of the money the state would have to spend on the program during those years."





The [Texas Tribune](#)   (1/28, Aaronson) reports, "Hamilton's report, the most thorough fiscal analysis yet on the impact of the Medicaid expansion on Texas, argues that state spending on the expanded Medicaid program would be offset by dramatic savings and that thousands of jobs would be created to boost the economy. Hamilton also says Texas' uninsured rate - the highest in the nation - would drop by a quarter. He argues the expansion could save the lives of 5,700 adults and 2,900 children annually."



Florida Legislators, Covered By State, Are Making Medicaid Decision. The [AP](#)   (1/29) reports, "Gov. Rick Scott and state legislators will soon decide whether Florida should extend health insurance coverage to nearly 1 million residents, and those officials all get their plans from the state, many paying less than state workers." For example, Scott pays less than \$400 a year to cover himself and his wife. Still, this month the state Senate "started paying the same as rank-and-file career service employees under a proposal pushed by Sen. Joe Negron, R-Stuart." Senate President Don Gaetz, R-Niceville, has said, "The people who work here at night and clean our offices are valuable people. We shouldn't be paying less for our health insurance while they are paying more."

Hospital Executive Offers Plan For Virginia To Expand Medicaid. The [Richmond \(VA\) Times-Dispatch](#)   (1/29, Martz, 113K) reports, "Dr. Sheldon M. Retchin, CEO of the Virginia Commonwealth University Health System, told a House Appropriations subcommittee Monday that the state teaching hospital could not withstand cuts in payments for hospital care of uninsured Virginians unless the state extends Medicaid coverage to those patients." He said, "The imposition of these cuts without offsetting coverage will irreparably harm the VCU Health System." Retchin instead "endorsed conditioning Medicaid expansion on federal approval of waivers that would allow Virginia to reform the way it delivers and pays for care in the program to control its long-term costs."

Healthcare Advocate Argues For Expanding Medicaid In Wisconsin. The [La Crosse \(WI\) Tribune](#)   (1/29, Tighe,

27K) reports that Kevin Kane of Citizen Action Wisconsin, speaking during a forum Monday night at Viterbo University, warned that "Wisconsin could face dire consequences if Gov. Scott Walker rejects \$12 billion in federal money to expand BadgerCare." If Walker chooses not to expand the program, Kane said that Wisconsin "would lose the chance to provide health care for another 211,000 to 233,000 low- to moderate-income people," while racking up "\$495 million more for uncompensated care and county health care costs." Kane also said "the expansion also could create more than 10,000 health-care jobs."

Arizona Insurance Exec Responds To Anti-Medicaid Expansion Op-Ed. Deb Gullett, executive director of the Arizona Association of Health Plans, responds to an [op-ed](#)   (1/26, 308K) arguing against Medicaid expansion featured in the [Arizona Republic](#)   (1/28, 308K) Saturday. She writes that there were few facts in Tom Jenney's "My Turn" piece, and chides the paper, "Providing a venue for this sort of misinformation is destructive." She concludes, "The governor's bold decision to expand Medicaid deserves more: a thorough and responsible examination of the facts using Arizona-based data and the home-grown expertise we have in abundance."

Policy Analyst Argues Against Expanding Medicaid In South Carolina. Dillon Jones, policy analyst at the Columbia-based South Carolina Policy Council, argues against expanding Medicaid in South Carolina in an op-ed for the [Times and Democrat \(SC\)](#)   (1/29, 19K). He writes, "like so many things in the world of government and politics, what sounds like a great idea is actually a terrible one." After laying out his case, Jones concludes, "As was the case with the federal "stimulus" bill in 2009 – the \$800 billion federal spending plan that somehow didn't "stimulate" anything – an expansion of Medicaid money may seem like a great idea now. But in the long run we'll all pay the price."



From NAHU

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Legislation and Policy



New York May Be "On Track" To Meet Health Insurance Exchange Deadline.

The [Business Review](#)   (1/29, Pinckney) "Biz Blog" reports, "New York appears to be ahead of most the country, including the federal government itself, when it comes to setting up a health insurance exchange." The US Department of Labor announced last week that the deadline for employers to inform their workers about the exchanges "will not take place on March 2013." While the new deadline has yet to be determined, David Bauer, one of 46 people serving on the regional advisory committee for Albany, the North Country and the Mid-Hudson Valley, says New York remains "on track" for compliance. "That makes New York very unique. I believe we will be ready to go for 2014," he said.

Plaintiffs Request Review Of Medi-Cal's 10% Provider Rate Cut.



The [Sacramento \(CA\) Business Journal](#)   (1/29, Robertson, Subscription Publication) reports, "Plaintiffs in a lawsuit to stop a 10 percent cut in Medi-Cal provider rates filed court documents Monday asking for review of the case by a full panel of appeals court judges. In December, a three-judge panel reversed a lower court decision that blocked California's attempt to cut Medi-Cal fees - essentially affirming the state's right to make authorized cuts to the federal health care program for the poor." The plaintiffs - including the "California Medical Association, California Hospital Association, California Dental Association and California Pharmacists Association," as well as several industry groups - allege that a "cut in state Medi-Cal provider fees, already below the cost of providing care and among the lowest in the nation, will do 'irreparable harm' to access to care for the state's most vulnerable patients."

Advisers Concerned No One Will Want To Serve On IPAB.



The [Washington Post](#)   (1/28, Kliff, 489K) reports in its "Wonkblog" blog that the health policy advisers who helped craft the Affordable Care Act are concerned that top health economists, who are in demand in the healthcare industry and in academia, will not be interested in serving on the Independent Payment Advisory Board, "where the compensation is low, the political controversy high and the ultimate payoff unclear." The Board, which "has the power to change the amount of Medicare's doctor payments," has "drawn heavy criticism since

it became part of the health-care law, with detractors drawing fire from the Obama administration and the health-care act's other supporters for referring to the board as a 'death panel.'"



CHIME Warns Hospitals Not Ready For Reporting Via EHRs.

[Healthcare IT News](#)   (1/29, Monegain, 54K) reports, "The College of Healthcare Information Management Executives (CHIME) says hospitals are not ready for quality reporting via EHRs. In its comments to the Centers for Medicare and Medicaid Services, submitted Jan. 28, CHIME warned that existing technology and workflow burdens make accurate and complete quality data reporting through the EHR nearly impossible."



HHS Regulations Apply HIPAA To Healthcare Business Associates.

[LifeHealthPro](#)   (1/28, Bell) reports that under "new federal protected health information privacy and security" regulations released by HHS, "the HIPAA privacy and security rules directly apply to business associates, as do HIPAA's civil and criminal penalties...Thus, business associates must develop formal policies and procedures to demonstrate compliance with the HIPAA rules, as well as designate their own privacy and security officials," according to Mark Holloway, a lawyer in the health reform advisory practice at Lockton Benefit Group. LifeHealthPro adds that "HHS developed the new final health information privacy and security regulations to implement parts of the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009 and the Patient Protection and Affordable Care Act of 2010 (PPACA)."



Immigration Reform Proposal Does Not Include Healthcare.

[CQ](#)   (1/29, Bunis, Subscription Publication) reports, "The estimated 11 million illegal immigrants living in the United States probably would still not qualify for federal health care benefits under an immigration policy overhaul proposed by a group of senators Monday." After outlining the bipartisan proposal, the article notes that "one of the bullet points in the proposal says: 'Current restrictions preventing non-immigrants from accessing federal public benefits will also apply to lawful probationary immigrants.'" This means "that anyone under the probationary status would not be eligible for Medicare, Medicaid or the Children's Health Insurance Program."



Experts Question Whether Coordinated Care Could Lead To Higher Prices.

[CQ](#)   (1/29, Adams, Subscription Publication) reports, "The push for medical providers to better coordinate care could have a downside - higher costs to patients and payers, said experts at an Alliance for Health Reform briefing on Monday." One panelist, Robert Galvin, chief executive officer of Equity Healthcare and operating partner of The Blackstone Group, explained that "in the past few years, the trend of price increases for hospital outpatient care and specialty drugs 'tends to be in the markets that have the most consolidation.'" He said that while "larger and more integrated organizations can sometimes improve the quality of patient care, more analysis should be done to measure the impact of quality improvements."



Louisiana Budget-Saving Healthcare Cuts Kick In Friday.

The [AP](#)   (1/29, DeSlatte) reports that Louisiana's healthcare cuts begin this week, as part of Governor Bobby Jindal's attempt to close the state's budget deficit. Programs to be eliminated include those "that provide behavioral health services for at-risk children, offer case management visits for low-income HIV patients and pay for at-home visits by nurses who teach poor, first-time mothers how to care for their newborns." Additionally, the state's Medicaid program will "no longer cover physical therapy and speech therapy rehabilitation services for nursing home residents," dental services for pregnant women, and "hospitals and doctors will be paid less when they care for Medicaid patients." The state's Medicaid hospice program, however, "won a last-minute reprieve after the Department of Health and Hospitals identified grant dollars to continue the service and state senators voiced loud complaints about the planned closure."

Democrats Push HHS To Roll Back Wellness Programs In ACA.



[The Hill](#)   (1/29, Baker, 21K) "Healthwatch" blog reports that "leading House Democrats wrote to the Health and Human Services Department on Friday to push for changes in rules about wellness programs in employers' healthcare packages" found in the Affordable Care Act. These Democrats "want HHS to roll back incentives that are contingent on an employee's health, as opposed to taking part in certain activities to improve his or her health." They say "they support incentives to quit smoking or join a gym, but aren't comfortable with incentives that are tied to a certain health conditions, such as blood pressure or weight."

Senator Calls For Explicit Initiatives For Lowering Healthcare Costs.

[The Hill](#)   (1/29, Viebeck, 21K) "Healthwatch" blog reports, "Sen. Sheldon Whitehouse (D-R.I.) on Monday pushed the Obama

administration to set an explicit target for healthcare cost savings from delivery reform." From the Senate floor, he said that "'vague intentions to bend the healthcare cost curve' often voiced in Washington are not enough to ensure better patient outcomes for a better price." Whitehouse continued, "Instead of being a disgraceful outlier from all the rest of the world on quality and cost, let's make America a healthcare system that is in the envy of the world. That should be our goal, and that could be our destiny."



Jindal Calls For Including States In Discussion On Medicaid.

Louisiana Governor Bobby Jindal, a Republican, calls for more discussion, flexibility, and state control of Medicaid, while advising against expansion under the Affordable Care Act, in an op-ed for the [Washington Post](#)   (1/29, Jindal, 489K), writing, "Expanding the entitlement program as it stands would further cement a separate and unequal tier of health coverage." Jindal offers several improvements for the program, which he says are supported by Republican Governors who have repeatedly requested to discuss the issue with President Obama. These suggestions "target several areas for reform: eligibility, benefit design, cost-sharing, use of the private insurance market, financing and accountability." Finally, Jindal concludes, "Instead of rushing to expand Medicaid as-is, the president and Health and Human Services Secretary Kathleen Sebelius should first engage in earnest discussions with state leaders."



Former Clinton Adviser: Medicare Could "Swallow Up Everything."

[The Hill](#)   (1/29, Viebeck, 21K) "Healthwatch" blog reports, "Former Vice Chairman of the Federal Reserve Alan Blinder warned Monday that Medicare spending will 'swallow up everything' and threaten attempts at deficit control without action to curb costs." Binder, who served under the Clinton Administration as an economic adviser, said that "there is 'no chance' to reduce the deficit unless the United States 'significantly reduces healthcare spending.' He added that 'cost cut benders' in President Obama's healthcare law might help, but it will take time to understand which are most effective."

New Law Aims To Fix Inefficiency In Personal Injury Medicare Claims.



The [Washington Post](#)   (1/29, Andrews, 489K) reports on "bureaucratic inefficiency at the federal Centers for Medicare & Medicaid Services (CMS)" which can significantly slow the process of being paid after suing for personal injury. Now, "a new law that, among other things, spells out clear schedules for providing details about medical claims is expected to reduce those delays." The article goes in depth about the process, which often leaves Medicare beneficiaries "in limbo."

Utah House Speaker, Governor Disagree Over HHS Involvement In Exchange.

The [Deseret \(UT\) News](#)   (1/29, Romboy, 105K) reports, "The 2013 Utah Legislature kicked off Monday with some harsh words for the federal government and especially Congress from House Speaker Becky Lockhart." For example, Lockhart "told the newly sworn-in members of the House that the state must resist a partnership with the federal government on providing a health insurance exchange under President Barack Obama's Affordable Care Act." She said, "There will be no such thing as a federal partnership. Anyone who believes otherwise is either in it for the money or deliberately ignoring history." The article notes that Utah Governor Gary Herbert is set to meet with HHS Secretary Kathleen Sebelius soon to make progress on negotiations over the state's exchange. Lockhart acknowledged that she and the Governor disagree about the level of involvement the Federal government should have in the process.



Public Health and Private Healthcare Systems

Wonkblog Profiles New Mexico CO-OP Startup.



The [Washington Post](#)   (1/29, Kliff, 489K) "Wonkblog" profiles the efforts by Martin Hickey to set up a new health insurance company in New Mexico, started with a \$6 million loan from the Affordable Care Act's CO-OP program. He believes his non-profit model offers a viable alternative to insurance giants, as he explains, "Everyone else has to send money back to their home office in Ohio or wherever. If we end up with money left over, that goes back to the physicians and consumers. Our view is, the health care system is broken. We're here to fix it." The piece focuses on how he is appealing to both providers and patients.

Uninsured



AP Looks Into States' Progress On ACA.

The [AP](#)   (1/29, Blankinship) runs a question and answer piece about the status of the healthcare law in Washington state. It explains that there are one million uninsured people in Washington, one in seven of the state's residents, but "state officials estimate that by 2017,

insurance coverage obtained through Medicaid and the exchange is expected to reduce Washington's uninsured rate to less than 5 percent." The article gives an in depth look into the Washington Health Benefit Exchange, set to launch in October.



The [AP](#)   (1/29) runs a similar piece on the state of New York. The article projects that of 2.7 million uninsured residents currently in the state, 1.1 million will enroll through the New York Health Benefit exchange and an additional 500,000 through expanding Medicaid.

Many Will Remain Uninsured In Colorado After ACA Implementation.

The [Denver Post](#)   (1/29, Booth, 443K) reports that even after the Affordable Care Act is fully implemented, 400,000 Colorado residents will remain uninsured. Those who will fall through the gaps of Medicaid expansion and insurance subsidies through the state's exchange include undocumented immigrants, people between jobs, and the sliver of the population above the eligibility line for Medicaid but who still cannot afford their own coverage. Others will opt out by choice. Still, the article notes that the number of uninsured will fall from 830,000 currently.

Also in the News

Potential Cost Savings Associated With Preventive Care Questioned.

In an analysis piece, [Reuters](#)   (1/29, Begley) discusses whether investing in more preventive care will lead to cutting overall healthcare costs. The article points out that some health economists argue that preventive care ultimately does not save money, because some of the most common forms of preventive care - including annual physical exams and cancer screenings - do not actually improve people's health. It points to a 2012 analysis, which found that annual physicals do not cut the risk of premature death or serious illness. Additionally, Reuters says that the US Preventive Services Task Force was prompted to recommend against the routine use of some cancer screenings since they essentially do not produce any health benefits.

Monday's Lead Stories

- [Clash Over Contraception Mandate Likely Headed To Supreme Court.](#)
- [Undecided States Working Toward Medicaid Expansion Decisions.](#)
- [Alzheimer's Groups Push For Brain Imaging To Be Covered By Medicare, Insurers.](#)
- [Arizona Bill Would Require Hospitals To Check Whether Uninsured Patients Are In US Legally.](#)
- [LATimes Looks Into Road Ahead For Small Businesses Under ACA.](#)
- [San Francisco Restaurants Under Fire For Shirking Healthcare Fees.](#)

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