

Customized Briefing for Kimberly Barry-Curley

March 27, 2013



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## Leading the News

### Sebelius: Individual Insurance Cost Hikes Stemming From ACA Likely.

Accompanying the release of a study from the nonpartisan Society of Actuaries which projected increases in the medical costs of individual health policies across the country next year, HHS Secretary Kathleen Sebelius acknowledged Tuesday that the Affordable Care Act may contribute to some insurance premium hikes next year.

[Reuters](#)   (3/27, Mason, Morgan) reports that on Tuesday, HHS Secretary Kathleen Sebelius admitted that premiums could rise next year for individuals buying health insurance, especially for men and young adults. Sebelius attributed the possible increases to "shifting" in the market due to the full implementation of the Affordable Care Act. She said, "Women are going to see some lower costs, some men are going to see some higher costs. It's sort of a one to one shift. ... Some of the older customers may see a slight decline, and some of the younger ones are going to see a slight increase." The article notes that Sebelius' comments come as many fear rising health costs due to the law, and on the same day as the release of a study from the Society of Actuaries which estimated individual insurance premiums will rise 32% over the next three years.

The [Wall Street Journal](#)   (3/27, Radnofsky) "Washington Wire" blog reports that Sebelius also said, "These folks will be moving into a really fully insured product for the first time, and so there may be a higher cost associated with getting into that market. But we feel pretty strongly that with subsidies available to a lot of that population that they are really going to see much better benefit for the money that they're spending."

**Study Projects Medical Costs Will Rise For Individually Insured.** The [AP](#)   (3/27, Alonso-Zaldivar) reports that a report from the Society of Actuaries estimates that insurance companies "will have to pay out an average of 32 percent more for medical claims on individual health policies under President Barack Obama's overhaul. ... That's likely to increase premiums for at least some Americans buying individual plans." The AP adds, "While some states will see medical claims costs per person decline, the report concluded the overwhelming majority will see double-digit increases in their individual health insurance markets, where people purchase coverage directly from insurers." The AP adds that the report "could turn into a big headache for the Obama administration at a time when many parts of the country remain skeptical about the Affordable Care Act."

## From NAHU

### Deadline for submissions has been extended to April 30, 2013.

There have been a couple of key changes to this year's LPRT application. The first major change is that applicants have the choice of using points or income to qualify. The second change is that there is no cap on retention points.



There are many benefits for qualifying for LPRT including discounted registration to NAHU's Annual Convention and Capitol Conference, an invitation to a recognition event at Annual Convention and a certificate and/or statue. The [online application](#) is the quickest and easiest way to apply.



Questions? Contact [LPRT@nahu.org](mailto:LPRT@nahu.org).







## Legislation and Policy

### Report Shows Health Costs Far Higher In US Than Other Countries.



The [Washington Post](#)   (3/27, Klein) "Wonkblog" presents recently released data from the International Federation of Health Plans (IFHP) "showing the prices that insurers are actually paying for different drugs, devices, and medical services in different countries." According to the blog, this year, as in all others, the "the data is shocking." The prices, for things like scanning and imaging, routine office visit, angioplasty, and various drugs, show that "we pay much, much more than other countries do for the exact same things."



The [Huffington Post](#)   (3/27, Young) reports further that the IFHP data show "that average prices in the United States are higher for most medical services cited in the report, but at the top end of the range, US health care prices can be staggering compared to what citizens of other nations pay."

The [Los Angeles Times](#)   (3/26, Terhune) "Money & Co." blog reported, "Even within the US, experts note that prices vary considerably for the same medical procedure or test with little or no difference in quality. This matters more than ever for many consumers who face rising deductibles and higher out-of-pocket expenses on their insurance plan."



[Modern Healthcare](#)   (3/27, Evans, Subscription Publication) sums up the report: "Private insurers in the US last year paid significantly more - up to 26 times as much in one case - for common procedures, hospital and doctor visits, and prescriptions when compared with private and public insurers in 10 other countries."

### Study Finds California Is Sixth Lowest In Healthcare Spending.



On its "Capitol Alert" blog, the [Sacramento \(CA\) Bee](#)   (3/27, Walters) reports that "health care has become, by most measures, the largest single piece of the California economy, well over 10 percent of its \$2 trillion output of goods and services - and destined to grow as the state extends medical insurance coverage to millions of Californians under the federal Affordable Care Act." A new study by the National Center for Policy Analysis, however, found that "as large as it may be, the health care spending in California has been relatively small, compared to other states." The study "found that as of 2009, the latest year for which complete data were available, California was sixth lowest among the states in public and private health care spending as a proportion of its economy."



**California Measure Would Let Insurance Commissioner Reject Rate Hikes.** In his column for the [Los Angeles Times](#)   (3/27), Michael Hiltzik writes that California health insurers are preparing to fight a ballot initiative that would give the state Insurance Commissioner the power to reject health insurance premiums deemed to be too high. Noting that the initiative will appear on the November 2014 ballot Hiltzik writes, "That's an unconscionably long time to wait for a crucial piece of the health insurance reform jigsaw, but on the plus side, if it passes it will be retroactive to last November." Hiltzik adds that "insurers and other contributors assembled a war chest of more than \$650,000 by the end of last year to fight the 2014 initiative."



### Former House Chairman: Congress Should Let Medicare Negotiate Drug Prices.

In the [Bangor \(ME\) Daily News](#)   (3/26), John Brautigam, former House chairman of the Legislature's Insurance and Financial Services Committee, writes that "it's never too late for Congress to save money in ways that would do no harm to our people or our economy." For example, he writes, "Congress could start by taking a look at the role prescription drug manufacturers play in serving the 35 million Americans with Medicare drug benefits." Brautigam argues, "Let's hope all of Congress finds the political will to stand up for taxpayers and do the sensible thing. Congress should let Medicare do what any business in the private sector would do - negotiate drug prices."



### McConnell Urges House To Pass Medical Device Tax Repeal.

[Roll Call](#)   (3/27, Goddard, Subscription Publication) reports that Senate Minority Leader Mitch McConnell (R-KY) "is calling on the House to send over legislation to repeal the health care law's tax on medical devices, following a bipartisan vote among senators in favor of such a move last week." McConnell "said he thought House Republicans should pass a stand-alone repeal of the medical-device tax to see how the Senate would handle it." McConnell noted that while the Senate vote repealing the device tax "was non-binding, it signaled overwhelming support that could box in Democrats down the road."

**Local Device Companies Likely To Be Hurt By Tax.** The [Boston Business Journal](#)   (3/27, Seiffert, Subscription Publication) "Bioflash" blog reports that the "19 biggest medical device companies" in Massachusetts "will pay an estimated \$411 million this year for a new federal excise tax to help pay for ObamaCare, according to research by the Pioneer Institute." According to the study, "those costs will result in higher costs at some companies that make products ranging from pacemakers to surgical tools, and reduced research expenses or employee growth at others."

The [Kansas City \(MO\) Business Journal](#)   (3/27, Pfannenstiel, Subscription Publication) reports further on the medical device tax, noting that "Kansas City is home to a small but growing medical device industry. Since 2009, the number of medical device companies in the region has grown by nearly 56 percent, from 34 to 53 companies."



## Forbes Columnist: Insurers Responsible For "Rate Shock" Controversy.



[Forbes](#)   (3/27) contributor Rick Ungar discusses the "unfounded" claim by insurance lobbyists that the Affordable Care Act will result in "dramatically larger premium costs for a significant number of Americans." He explains that the Urban Institute recently released a study disputing this so-called "rate shock," and that "the lowered premium costs to the oldest participants in an insurance plan 'would have very little impact on out-of-pocket rates paid by the youngest nongroup purchasers.'" Ungar concludes, "As The Urban Institute study makes crystal clear, the 'rate shock' controversy has far more to do with insurance company lobbying efforts and far less to do with the reality of what health insurance will cost for millions of young Americans."



## Public Health and Private Healthcare Systems



### Across US, Medicaid Expansion Decisions Progress.



Coverage of Medicaid expansion across the US continues, with accounts of a study and a bill joining the regular locally-focused reports. Six Republicans introduced a bill to repeal Medicaid expansion Tuesday, the same day an Urban Institute study was released showing that veterans across the country would benefit from expanding the program. States receiving significant coverage include Tennessee, where Governor Bill Haslam is expected to announce his decision Wednesday, and Virginia, where Governor Bob McDonnell tweaked the General Assembly's bill governing expansion. Beyond that, several pieces touched upon the so-called Arkansas alternative to expansion.



**House Republicans Introduce Bill To Repeal Medicaid Expansion.** [The Hill](#)   (3/27, Kasperowicz) "Floor Action" blog reports that Representative Matt Salmon (R-AZ), along with five other House Republicans, "have introduced legislation that would repeal the 2010 expansion of Medicaid benefits to lower-income Americans." According to Salmon, the Affordable Care Act "essentially bribed states' to expand Medicaid eligibility to people with incomes at 138 percent of the poverty level." On Monday, Salmon said, "Medicaid needs reform, not expansion. Instead of more federal mandates, I support giving states the maximum flexibility to provide services to their most vulnerable populations."



**Study Finds Vets Could Benefit In States That Expand Medicaid Under ACA.** [The Hill](#)   (3/27, Viebeck) "Healthwatch" blog reports on a new analysis from the Urban Institute which found that "veterans stand to benefit substantially from President Obama's healthcare law, particularly in states that choose to expand their Medicaid programs." According to the study, "as many as 40 percent of uninsured US veterans would be eligible for healthcare under the law's insurance exchanges or its expanded Medicaid program." Currently, "there are currently about 1.3 million uninsured veterans, the report said, but fewer than half of those who would qualify under broader Medicaid eligibility live in states that will accept the expansion."

[Government Health IT](#)   (3/27, Brino) reports that the study explains, "With only nine states offering comprehensive Medicaid coverage to nondisabled, nonpregnant adults without dependent children and with as many as 25 states possibly opting out of Medicaid expansion, several hundred thousand veterans could end up struggling to find coverage."





The [Charleston \(WV\) Gazette](#)   (3/27, Kersey) reports that, according to the study, West Virginia "officials could nearly cut in half the number of uninsured veterans in West Virginia by expanding Medicaid coverage to those who make up to 138 percent of the federal poverty line." Noting that "West Virginia has an estimated 11,300 uninsured veterans," the report indicates that "expanding Medicaid under the Affordable Care Act would mean that 5,300 of them would get medical coverage" and "another 2,600 uninsured military spouses in the state would also be covered under Medicaid expansion."



Similarly, the [Arizona Republic](#)   (3/27, Reinhart) reports that in Arizona, 11,000 veterans are uninsured. And, according to the study, 2,000 would be eligible for Medicaid if the state agrees to expansion.



[MedPage Today](#)   (3/27, Pittman) also reports the story.



**Haslam Expected To Announce Tennessee Medicaid Expansion Decision Wednesday.** The [AP](#)   (3/27, Schelzig) reports that Tennessee Governor Bill Haslam will announce his decision about Medicaid expansion at a joint session of the General Assembly Wednesday, according to an official "familiar with the plans." Lawmakers "plan to authorize the gathering during regular floor



sessions Wednesday morning, the official told The Associated Press on the condition of anonymity because the joint assembly hadn't yet been publicly announced." Though no confirmation was given, "Haslam's spokesman recommended reporters attend the House floor session at 9:30 a.m. CDT." So far, there is no word what Haslam's decision will be.




The [Chattanooga \(TN\) Times Free Press](#)   (3/27, Sher) reports, "For months, Haslam has been struggling with whether to extend TennCare to an estimated 181,000 low-income people. Earlier this week, Haslam said he would make a decision this week. If Haslam says yes to the expansion, he faces opposition among any number of fellow Republicans in the Legislature." The [Nashville Scene](#)   (3/27, Hale) also reports on Haslam's anticipated announcement.



The [Nashville \(TN\) Business Journal](#)   (3/27, Boyer, Subscription Publication) "BizBlog" reports that ahead of Haslam's decision, "the Tennessee Chamber of Commerce & Industry, which has remained relatively mum on the matter, has voiced its support for a TennCare expansion, provided the expansion is reevaluated after the initial three-year period, which is when state funding for the expansion would begin to kick in."



**McDonnell Slightly Alters Virginia Medicaid Expansion Language.** The [AP](#)   (3/27, Lewis) reports that Virginia Governor Bob McDonnell has offered amendments to several bills currently in the state's General Assembly, including one "clarify[ing] requirements for expanding Medicaid in Virginia." McDonnell Monday night "signed 727 bills into law, amended 80 and vetoed six." The House and Senate "reconvene for a single day on April 3 to consider McDonnell's actions on this year's legislation. A majority of 51 delegates in the 100-member House and 21 members of the 40-seat Senate is necessary to reject a gubernatorial amendment, but two-thirds majorities in each chamber are required to override a veto."



The [Richmond \(VA\) Times-Dispatch](#)   (3/27, Martz) reports that the new Medicaid language "is more specific about the reforms that would be required before a new legislative commission would sign off on expansion, but the governor is not requiring changes in federal law that the state could not attain, as he has sought before." Further, it "does not make significant changes to address concerns that [Attorney General Ken] Cuccinelli raised about the constitutionality of delegating authority to the new commission to expand the program. But administration officials said the new language leaves less discretion to legislators on the commission in determining whether reforms are sufficient to justify expanding the program."



The [Newport News \(VA\) Daily Press](#)   (3/27, Wilson) explains that "on Friday Cuccinelli issued a legal opinion that said the regional component that included additional sales taxes for Hampton Roads and Northern Virginia was unconstitutional because it would in effect be the General Assembly writing local law." And, "in a separate opinion, he said the budget deal that creates a commission of 10 lawmakers that will assess reforms to the state's existing Medicaid program before approving an expansion of the program under the federal Affordable Care Act was unconstitutional because the General Assembly is not allowed to cede its legislative authority to a committee or commission."



Also reporting are the [Norfolk \(VA\) Virginian-Pilot](#)   (3/27, Walker) and the [Washington Examiner](#)   (3/27, Contorno).

**Move To Debate Medicaid Expansion In Idaho Rebuffed By Republicans.** The [AP](#)   (3/27) reports that "minority Democrats are demanding Republicans schedule debate on a bill to expand Medicaid this session, saying Idaho risks squandering an opportunity to save taxpayers tens of millions and bring \$1.1 billion into the state." In an open letter, House Minority Leader John Rusche (D-ID) joined Sen. Dan Schmidt (D-ID) in "urging Republicans to 'find courage to stand up to their activists' narrow, but vocal opposition." Although Rep. Tom Loertscher (R-ID) "has introduced a measure to expand Medicaid, arguing it makes financial sense," the AP notes that "Republican leaders including House Speaker Scott Bedke say there's not enough time left in the 2013 session to tackle the issue."

The [Twin Falls \(ID\) Times-News](#)   (3/27) notes that Bedke "said last week the 2013 Legislature won't consider Medicaid this year, but waiting a year will change the politics of the issue entirely. Next year is an election year, and lawmakers may be wary of voting on a controversial Obamacare-related issue in the spring when faced with a May primary challenge from within their own party." However, freshman House members Luke Malek (R-ID) and Robert Anderst (R-ID) "said they wouldn't let threats of primary challenges or donations to opponents sway their votes."



On its website, [KTVB-TV](#)   Boise, ID (3/27) reports that Rusche's effort to schedule a hearing "failed 2-8, with no Republican support." Rusche stated: "Some of it is healthcare fatigue through the legislative session, and some of it is concern about having to address another aspect of the Affordable Care Act, or Obamacare, and some of it is really lack of understanding, I think, of the real benefits and the implications of failing to make a decision at this point in time." KTVB-TV adds that "Rusche says they don't plan to do anything more aggressive this session, though he still wishes Republicans would reconsider."




The [Spokane \(WA\) Spokesman-Review](#)   (3/27) also reports on the story on its "Eye On Boise" blog.



**Missouri House Defeats Bid To Expand Medicaid.** The [AP](#)   (3/27, Lieb) reports that "Missouri's Republican-led House dealt a resounding defeat Tuesday to Democratic attempts to expand Medicaid, refusing to add more than \$900 million to the state budget to cover 260,000 lower-income adults because of concerns about a future drag on state finances." The AP adds that "the largely party-line votes against the Medicaid expansion marked the climax of a daylong House debate on Missouri's budget but were almost a foregone conclusion" after "various Republican-led House and Senate committees have repeatedly voted down the Medicaid enlargement over the



past several weeks." The AP notes that, "despite the Republican rejection," Gov. Jay Nixon "continued to travel the state Tuesday trying to build public support for a Medicaid expansion as called for under the" ACA.



On her "Political Fix" blog in the [St. Louis Post-Dispatch](#)   (3/27), Elizabeth Crisp writes about the vote, noting that "Republicans in the chamber repeated their concerns - that expansion will add too much of a burden to federal expenses, that the federal government can't be counted on to hold up its end of the expansion plan and that, ultimately, an expansion could create a burden on other areas of the state budget, including education." Crisp adds that, "for their part, House Republicans have been pushing alternative efforts that include Medicaid reforms, but the only incarnation of that, a proposal sponsored by Rep. Jay Barnes, R-Jefferson City, was not counted in the budget bills approved today."



The [Springfield \(MO\) News-Leader](#)   (3/27, Shorman) reports that "the Medicaid debates provided moments of drama on the first day of a weeklong process to pass the 13 House appropriations bill, which fund the state government."



The [St. Louis Business Journal](#)   (3/27, Liss, Subscription Publication) and [St. Louis Public Radio](#)   (3/27, McDaniel) also report on the story.



**Montana House Endorses Medicaid Expansion Bill.** The [Helena \(MT\) Independent Record](#)   (3/27) reports that "the Republican majority in the state House Monday endorsed a bill that would study, rather than enact, a Montana expansion of Medicaid, the government health-care program for the poor." Rep. Cary Smith (R-MT), who sponsored House Bill 604, stated: "This (bill) would form a group to look the next couple of years to decide what's right for Montana. I think this is something we need to take the time to look at." The Independent Record adds that "the House voted 54-46 to endorse Smith's bill, which then was sent to the House Appropriations Committee for another hearing on Tuesday."



On its website, [KBZK-TV](#)   Butte, MT (3/27) reports that "more than 100 people rallied at the Capitol on Monday to show support for" Gov. Steve Bullock's "Access Health Montana" bill, which "would expand Medicaid to 70,000 more people."

**Arkansas' Approach To Medicaid Expansion May Prove More "Palatable" To Conservative States.** On the [NPR](#)   (3/27, Messick) website, reporter Molly Messick writes in "StateImpact" that "Idaho lawmakers took more than 15 hours of floor debate during this legislative session to determine that Idaho should create a state-based health insurance exchange. It was an act of compliance with the federal health care law that raised the hackles of many conservative Idaho lawmakers." NPR highlights the move toward a "third option," after HHS gave the Arkansas permission "to use federal Medicaid expansion money to purchase private health insurance plans." NPR notes that the option is "a middle path that could prove more palatable in conservative states like Idaho that have so far held off on coming to a decision, or rejected the option to expand Medicaid eligibility to 138 percent of the federal poverty level."



One state considering following the Arkansas approach is Louisiana. As the [AP](#)   (3/27) reports, "lawmakers urged Gov. Bobby Jindal's health department Tuesday to look at alternative program models to tap into the Medicaid expansion money available under the federal health care law." The AP notes that "the issue came up several times during a House Appropriations Committee review of next year's budget for the Department of Health and Hospitals, which doesn't include the anticipation of any dollars from the Medicaid expansion." Rep. Walt Leger (D-LA) "asked DHH Undersecretary Jerry Phillips to track negotiations in Arkansas, which asked federal officials to let it use the Medicaid money to buy private insurance policies."



Similarly, the [Dayton \(OH\) Daily News](#)   (3/27, Tucker) reports that "Ohio Gov. John Kasich is negotiating a plan with the federal government to use the money originally intended to expand Medicaid eligibility to about 366,000 Ohioans to instead buy private insurance for new enrollees on state health exchanges expected to go on-line in October." The Daily News notes that "the money would be used help pay premiums on the health exchanges, officially called Health Insurance Marketplaces, for low-income people at or below 138 percent of the federal poverty rate, or about \$15,400 for an individual or \$32,000 for a family of four in annual earnings." Ohio Medicaid Director John McCarthy stated: "It's something that we have been talking to (the Centers for Medicare & Medicaid Services) about. No deal is done. We're just exploring whether it's technically possible to do this, and how, specifically, would it work."



**Beebe Calls For Medicaid Expansion In Arkansas.** The [Arkansas Democrat Gazette](#)   (3/26, Lesnick) reported that Arkansas Gov. Mike Beebe, speaking before the Little Rock's Regional Chamber of Commerce Tuesday, warned that difficult cuts are likely if the state legislature fails to expand Medicaid, but moves to approve revenue tax cuts. Beebe stated: "If you don't pass Medicaid expansion and you do [pass] those tax cuts, you better figure out and realize who you're hurting and make that conscious decision on the front end and then live with the consequences." Calling Medicaid expansion in Arkansas an "uphill battle," Beebe highlighted the potential affects such cuts would have on the University of Arkansas for Medical Sciences.



In a blog post in the [Arkansas Times](#)   (3/26), columnist Max Brantley wrote about a Twitter debate he had with Sen. Jason Rapert (R-AR) about the popularity of the ACA and its eventual acceptance by Arkansas Republican legislators. Rapert tweeted: "The insanity of Obamacare mandate is mind boggling. May voters rid this nation of every Democrat that voted this junk into law!" However, Brantley noted that, when pressed, Rapert failed to "declare forthrightly" his stance on Medicaid expansion in Arkansas. Brantley asserted: "It seems more likely he's pre-spinning a pro-Obamacare vote."



**Mississippi Governor Expected To Call Special Session To Address Medicaid Expansion.** In the [Memphis \(TN\)](#)



[Commercial Appeal](#)   (3/27), columnist Phil West writes that Mississippi "legislators and Gov. Phil Bryant likely will resolve the conflict over whether to expand Mississippi's Medicaid program under the federal Affordable Care Act"; however, officials say "it won't happen before legislators end their 2013 session on April 7." House Speaker Philip Gunn (R-MS) "said Tuesday he believes that Bryant, who bitterly opposes expanding the federal-state health care program for the poor and disabled, will call a special legislative session to deal with Medicaid."



**Report Finds Medicaid Expansion Could Cost Louisiana Almost \$2B Over Ten Years.** In other Louisiana news, the [New Orleans Times-Picayune](#)   (3/27, McGaughy) reports that, according to an analysis released Tuesday from the Department of Health and Hospitals, "opting into Medicaid expansion could cost the state of Louisiana almost \$2 billion over 10 years - or it could save the state more than \$367 million in the same period." The report, which "provides three separate analyses for how the expansion of Medicaid in Louisiana could affect state coffers," indicates that "the unpredictable nature of expanding the federal program under the Affordable Care Act makes the idea 'risky.'" Louisiana Budget Project policy analyst Steve Spires said "that the DHH report reiterates LBP findings released in February that showed the expansion would likely result in savings because more low-income uninsured residents would be covered, thereby not using the state charity hospital system."



In a second article, the [New Orleans Times-Picayune](#)   (3/27, Maggi) reports that "the DHH report mirrors other recent analyses of the Medicaid expansion from outside organizations like the Kaiser Family Foundation, the Urban Institute and the Louisiana Budget Project. All of the reports came up with much lower price tags for the expansion than the original \$3.7 billion cost repeatedly cited by Jindal administration officials this summer and fall." The Times-Picayune adds that, "although the report finds that taking the Medicaid expansion could be advantageous for Louisiana's budget, the report still cautions that the federal insurance program for the poor needs to be reworked by the US Department of Health and Human Services."

**NFIB Launches Ad Campaign Against Medicaid Expansion In Florida.** The [Orlando \(FL\) Sentinel](#)   (3/27) reports that "the National Federation of Independent Businesses - which bills itself as 'The Voice of Free Enterprise' - has begun an ad campaign urging Florida legislators not to opt for Medicaid expansion under the Affordable Care Act." Although "legislators have pretty much decided not to accept the Obamacare expansion of Medicaid, senators have said they do want to grab the \$51 billion in federal money that's available over the next 10 years, at a cost to the state of \$3.5 billion." The Sentinel notes that "the NFIB ad plays on fears... that the feds won't be able to make good on their promise to pay because of soaring deficits."



The [Palm Beach \(FL\) Post](#)   (3/27, Kennedy) reports that "NFIB challenges whether Florida can rely on the promise that Washington will be there with the money if Medicaid expands. The organization also is trying to get Floridians to sign petitions opposing expansion."



**Lawmakers: Hospitals Could Lose Millions If Kansas Fails To Expand Medicaid.** The [Wichita \(KS\) Eagle](#)   (3/27, Wistrom) reports that, according to lawmakers, "hospitals large and small that serve people who don't have insurance could lose millions if the state doesn't expand Medicaid under the Affordable Care Act, and the state is poised to not expand." In order "to help buffer a potential dropoff in federal 'disproportionate share money' for hospitals that help the uninsured," Sen. Jim Denning (R-KS) "is pushing to at least keep up with the state part of that funding to provide 'a soft landing.'" Although "the roughly \$76 million in state and federal money is intended to help safety net clinics take care of people who don't have insurance," the Eagle notes that "lawmakers say they think federal funding will drop significantly, if not be eliminated, as funding shifts to Medicaid expansion."

**Maine Governor Urged To Accept Medicaid Expansion.** The [AP](#)   (3/27, Adams) reports, "Mainers who fear that time is running out on their health care coverage urged Gov. Paul LePage on Tuesday to accept an expansion of Medicaid that's being offered under the federal health care overhaul. The Maine People's Alliance delivered paper copies of 2,500 messages that it collected on its Web site after a news conference in which speakers gave personal accounts of why they need coverage through Medicaid."



**"Medicaid Madness Tour" To Stop In Mason City, Iowa.** The [Mason City \(IA\) Globe Gazette](#)   (3/27) reports, "A 'Medicaid Madness Tour' to educate Iowans about the need to expand Medicaid coverage in the state will include a stop in Mason City on Wednesday, March 27. ... Chris Petersen of the Iowa Main Street Alliance will talk about the benefits of expanding Medicaid to an additional 150,000 Iowans, including young adults, veterans, the working poor and mentally ill."

## Report Criticizes Minnesota's Oversight Of MinnesotaCare Eligibility.

The [Minneapolis Star Tribune](#)   (3/27, Schrade) reports, "Minnesota has failed to properly vet people enrolling in a \$550 million taxpayer-subsidized health insurance program despite a decade of warnings that it was breaking state and federal law, according to the Legislative Auditor." A newly released report from Legislative Auditor Jim Nobles suggests that "the Department of Human Services (DHS) has known for years it was failing to properly verify the income and Social Security numbers of applicants for MinnesotaCare."



[Minnesota Public Radio](#)   (3/26, Stawicki) reports, "The Legislative Auditor's report finds DHS did not adequately verify that information provided by participants in its MinnesotaCare insurance program." Additionally, "the auditor...found DHS did not adequately monitor how county workers resolved discrepancies when income amounts reported by participants did not match government data in

other programs such as Medical Assistance; Temporary Assistance for Needy Families, and Supplemental Nutrition Assistance programs."

According to the [St. Paul Pioneer-Press](#)   (3/27), "Human Services Commissioner Lucinda Jesson said she agrees with the auditor's findings and that the state is building a new computer system to verify eligibility as part of the new health insurance exchange."

## Growing Your Business

### Advocacy Groups: Medicare Cuts Would Undermine Small Business Owners' Retirement Plans.

The [Newark \(NJ\) Star-Ledger](#)   (3/27, Jones) reports that according to a report by Social Security Works and The Main Street Alliance, "if the budget battle in Congress results in cuts to Social Security or Medicare, it would undermine small business owners' retirement plans and weaken consumer demand for goods, according to a report by two national advocacy groups." The report stated, "Even a 3 percent cut in Social Security benefits would take \$638.3 million out of New Jersey's economy. A similar cut to Medicare, meanwhile, would cost New Jersey's economy \$465.8 million. Such cuts are the last thing struggling small businesses need in the midst of a fragile economic recovery."

The [Triangle Business Journal](#)   (3/27, Subscription Publication) and [The Oregonian](#)   (3/27) also cover the report.

## Tuesday's Lead Stories

- [Officials Drop Case Against Michigan BCBS.](#)
- [Senate Budget Included Votes On Many Health-Related Amendments.](#)
- [States Continue To Move Toward Medicaid Expansion Decisions.](#)
- [Survey: Large Employers Embracing High Deductible Health Plans.](#)
- [Connecticut Starting Outreach To Bring Uninsured To Exchange.](#)
- [Employers Ramp Up Wellness Programs To Lower Healthcare Costs.](#)
- [Houston Businesswoman Indicted For Medicare, Medicaid Fraud In Texas.](#)

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