

#### **Customized Briefing for Kimberly Barry-Curley**

April 1, 2013

From NAHU
Leading the News
Legislation and Policy

<u>Public Health and Private Healthcare Systems</u> <u>Uninsured</u> Also in the News

### **Leading the News**

# **Obama Administration Finalizes Medicaid Expansion Regulations.**

The Hill 19 (3/29, Goad) "Regwatch" blog reported HHS finalized new regulations Friday that said "the federal government will reimburse states for 100 percent of the costs for some newly eligible Medicaid patients" for three years, and "after that, the federal contribution would be gradually phased down to 90 percent in 2020, and would remain there permanently." The rule was released after HHS Secretary Sebelius said this week that the new law "could cause healthcare costs to increase for some Americans. It was the first time a top administration official publicly made such a statement."

The Washington Times (3/29, Howell) "Inside Politics" blog reported, "The Department of Health and Human Services announced it has proposed a final rule that describes a 'simple and accurate method' for states to claim the matching rate for enrollees deemed 'newly eligible' under the Affordable Care Act, which expands the program in 2014 to those making up to 133 percent of the federal poverty level."

Modern Healthcare [3/30, Block, Subscription Publication) added that "although HHS on Friday released a final rule regarding the expanded 100% federal funding of the cost of new Medicaid beneficiaries, the department is still accepting comments on the methodology states can use to determine whether a new beneficiary qualifies for the enhanced funding."

HHS To Allow Private Medicaid Expansion Option With Waiver. The Gannett News Service (3/29, Barton) reported that the Obama Administration "said Friday it would allow states to experiment with alternative approaches to the Medicaid expansion called for by the 2010 healthcare reform law." CMS provided "guidelines under which alternative or 'demonstration programs' could be established as a way of 'providing flexibility in pursuit of our shared goals," CMS Deputy Administrator Cindy Mann said. Several states are looking for something "other than a expansion of traditional Medicaid, something seen as politically tricky for those in conservative states."

The Hill (3/29, Baker) "Healthwatch" blog reported that HHS said Friday that "states that want to privatize the healthcare law's Medicaid expansion will need a waiver from the federal government." HHS also "released a questions-and-answers document Friday explaining more about its approach to private expansions." The Hill points out that the privatization option "has gained traction since Arkansas Gov. Mike Beebe (D) first proposed it last month."

The Washington Post (3/29, Kliff) "Wonkblog" reported that states that wanted "the so-called Arkansas option" to buy private insurance with Medicaid expansion money "have a few more answers." CMS "on Friday issued a Q&A to address some of the questions posed by states. It's not comprehensive - it includes three questions that span two pages - but it has a few new details that might help states make up their minds." Among the answers are that "a partial expansion isn't on the table," while "a waiver might be in order, though." Moreover, CMS said "benefits need to be comparable."

Bloomberg News (3/29, Wayne) reported that CMS made "a departure" from the ACA and said Friday that "an unspecified number of states" will be able to use Medicaid money to allow low-income residents "to buy health insurance from private plans such as UnitedHealth Group Inc. or Humana Inc." CMS said it would allow the practice "as long as it doesn't cost the government more than the traditional Medicaid program." Arkansas and Ohio both have asked for permission to try private plans.

Modern Healthcare [4/1, Blesch, Subscription Publication) notes that HHS will only grant a "limited number" of waivers. The National Journal [6] (3/29, Sanger-Katz, Subscription Publication) reported that the Obama Administration on Friday

"dampened...enthusiasm" in states that want to use private health plans to cover the poor, "laying out strict rules for the program that will interest only a few states." While "the details will reassure many Medicaid advocates," the "rules also could discourage some on-the-fence states from pursuing a Medicaid expansion at all, leaving more Americans without health insurance after the health law's biggest provisions kick in next year." The National Journal said Friday's announcement of rules "sets a high bar for the states to clear."

Commentary Weighs In On Medicaid Expansion "Private Option." In an editorial, the New York Times [4/1, A18, Subscription Publication) weighs in on HHS' plan to allow states to purse private options for Medicaid expansion, writing that there are both "important benefits" and "big risks." Ultimately, the piece concludes, "Federal officials must be vigilant in ensuring that recipients on the exchanges receive the same services and same cost-sharing limits that they would under an expanded Medicaid program. State officials who don't want to play by those rules would be better off using the generous federal dollars as originally intended - to expand their Medicaid programs to cover many more of their uninsured residents."

From a different perspective, contributor Avik Roy writes in a piece for Forbes [4/1] that although the Arkansas "private option" seemed "like an important, potentially transformative development," at first, it is now "clear that the Beebe-HHS deal applies a kind of private-sector window dressing on the dysfunctional Medicaid program, and it's not obvious that the Arkansas legislature should go along."

#### From NAHU

NAHU's April Compliance Corner webinar will focus on the health reform law's new employer responsibility requirements relative to counting employees. Beginning in 2014, employers with more than 50 full-time equivalent employees will have to offer coverage to all of their full-time workers. How to count those employees, particularly those that work variable hours, and determine if they are full-time or not is tricky business. Plus, many employers are unaware that they need to be thinking about counting and getting their methodologies in place NOW to be prepared for 2014 since the methods chosen can have a significant impact on an employer's liability moving forward. Join NAHU CEO Janet Trautwein for a one-hour webinar to discuss how the new measurement and stability periods work and how you can use this information to provide strategic advice to your employer clients.

This webinar, which is a free NAHU member benefit, will be held on April 4 from 1:00 to 2:00 p.m. EDT. Registration for the live event is limited to 1000 NAHU members, so click here to sign up today. For those members who are unable to make the live session, the PowerPoint slides and recording will be made available to members by April 5 on NAHU's webcast webpage.







### Legislation and Policy

# HHS Faces Uphill Battle In Marketing ACA.

The AP [6] (4/1) reports. "With the nation still split over President Barack Obama's health care law, the administration has turned to the science of mass marketing for help in understanding the lives of uninsured people, hoping to craft winning pitches for a surprisingly varied group in society." As "it turns out, America's more than 48 million uninsured people are no monolithic mass. A marketing analysis posted online by the federal Health and Human Services Department reveals six distinct groups, three of which appear critical to the success or failure of the program." These are the "Healthy & Young," the "Sick, Active & Worried," and the "Passive & Unengaged."

Similarly, the Washington Post [6] (3/31, Galewitz) reported that a Palm Beach County, Florida program that offered subsidized health insurance coverage for \$52 a month to residents who didn't qualify for Medicaid attracted "fewer than 500 people" after a year. The program's outcome has created "worry that similar problems could bedevil the new online health insurance marketplaces that open for enrollment Oct. 1 under the Affordable Care Act." The Post also said that "persuading millions of people to buy insurance...is still expected to be a tough sell," while the Obama Administration "has yet to release any details of its marketing campaign" for ACA options.

# ACOs Increasingly Working Behind The Scenes To Benefit Patients.

The print edition of Modern Healthcare [12] (3/29, Carlson, Subscription Publication) reported that Medicare and private health plans are backing Accountable Care Organizations, while doctors and hospitals see the approach "as potentially becoming the long-awaited bridge from inefficient fee-for-service medicine to a healthcare system that provides higher quality care at lower cost for large groups of similarly situated patients." Proponents also believe ACOs can close some of the gaps in how "advances in medical knowledge have not been evenly distributed among healthcare providers." Nonetheless, "the types of ACO models being tried today are so varied and complex that it's difficult to draw conclusions about their ultimate success," and "major questions...still linger," including "which patients are right for

ACOs and how much hospitals and doctors should be rewarded for coordinating patient care."

ACOs Look To Insurance Benefits To Promote Value-Based Decisions. The print edition of Modern Healthcare (3/30, Evans, Subscription Publication) reported, "More hospitals and doctors are signing accountable care contracts that tie payouts and sometimes penalties to delivering better results at lower costs." Towards that end, "insurance is increasingly seen as a vehicle to encourage patients not only to embrace healthy behavior and manage chronic conditions, but also to consider less expensive treatment options, especially when a more expensive path promises limited benefits." In addition, "a growing number of employers are shifting incentives away from efforts that encourage self-awareness and health education and toward results, such as lower body mass index."

### South Said To Remain Solidly Opposed To ACA.

The AP (3/30, Barrow) reports that "an opposition bloc remains" to the ACA "across the South, including from governors who lead some of the nation's poorest and unhealthiest states." The AP says politics are mostly responsible, although "the hospital industry and other advocacy groups continue to tell GOP governors that expansion would be a good arrangement, and there are signs that some Republicans are trying to find ways to expand insurance coverage under the law."

## GOP Capitalizing On Sebelius' ACA Premium Hike Concession.

The Hill 1 (4/1, Viebeck) "Healthwatch" blog reported that following last week's "surprise concession from Health secretary Kathleen Sebelius," Republican campaign officials "are claiming new momentum for 2014." Sebelius' remark, that "some consumers could see their health insurance premiums rise under healthcare reform," has "triggered a rush of campaign messaging against vulnerable Democrats who supported healthcare reform." According to the blog, "The controversy points to the challenge facing the Obama administration as it implements a cumbersome and politically volatile reform whose full impact may not be understood for decades."

LATimes: ACA Premium Hike Studies A "Bump In The Road." In an editorial, the Los Angeles Times (3/30) called the recent study predicting a 30.1% increase in premiums for Californians buying individual health insurance a "bump in the road" for the Affordable Care Act. To sum the argument up, the paper wrote, "The bill's title is not ironic - its provisions will slow the growth of healthcare costs and lead over time to a more rational and efficient system. But the transition will have some rough patches, and we're about to hit one."

## NYTimes Blog Points To High Healthcare Costs As Driver Of Debt.

Uwe Reinhardt wrote in the New York Times (3/29) "Economix" blog that "traditionally, the theory driving discussions on the high cost" of US healthcare "has been that there is enormous waste in the system, taking the form of excess utilization of care." But "largely overlooked in these discussions has been the elephant in the room: the extraordinarily high prices Americans pay for healthcare." He cited a 2004 paper that concludes "it is higher health spending coupled with lower - not higher - use of health services that adds up to much higher prices in the United States than in any other member nation of the Organization for Economic Cooperation and Development."

# AMA Calls For Health Insurance Exchange Network Standards.

American Medical News (3/29, Lubell) reported, "Standards ensuring that consumers have access to sufficient networks of health care professionals on federally operated health insurance exchanges need to be tightened, the American Medical Association wrote in a March 15 letter to the Obama administration." The Association's Executive Vice President and CEO James L. Madara, MD, "in his correspondence to acting Centers for Medicare & Medicaid Services Administrator Marilyn Tavenner...specified what information qualified health plans on these marketplaces should be providing."

# ACA Repeal Push At Odds With GOP Courting Of Latinos.

On its front page, the Los Angeles Times (4/1, A1, Levey) reports, "As Republican leaders try to woo Latino voters with a new openness to legal status for the nation's illegal immigrants, the party remains at odds with America's fastest-growing ethnic community on another key issue: healthcare." As the article explains, "Latinos, who have the lowest rates of health coverage in the country, are among the strongest backers of President Obama's healthcare law." And yet, "Yet congressional Republicans continue to make repeal of the 2010 Affordable Care Act a top agenda item and have renewed calls for deep cuts in health programs such as Medicaid, which are very popular with Latinos."

#### NPR Addresses Misinformation About ACA.

On Friday, NPR (3/30) ran an eleven minute segment on "All Things Considered" that questioned, upon the third anniversary of the Affordable Care Act: "Is it actually possible Americans know less about Obamacare now than they did three years ago?" The piece looked

into "misinformation and disinformation" about the law, before attempting to clear up some of these misconceptions.

## North Carolina Senators Call For Transparency In Hospital Billing.

The Winston-Salem (NC) Journal (4/1) reports that "North Carolina hospitals don't publicly post the cost of their medical procedures," which "makes it all but impossible for patients to comparison shop or to effectively question prices, and experts say it allows hospitals to make more money from patients and insurers." In response, Sens. Bob Rucho (R-NC) and Harry Brown (R-NC) "have introduced legislation addressing the hospital-billing system that would begin to provide transparency and more ability for consumers to shop for services." Under the bill, "hospitals would be required to publicly disclose their prices on the most common medical procedures." The bill also outlines how Hospitals with low Medicaid costs would be rewarded.

Charlotte Paper Lauds Effort To Make North Carolina Hospitals More Transparent. In an editorial, the Charlotte (NC)

Observer (3/31) lauds the effort of Sens. Bob Rucho (R-NC) and Harry Brown (R-NC) to make the hospital billing system in North

Carolina more transparent. The Observer claims that the bill "offers some promise in taking the mystery out of medical pricing – and perhaps putting us on the path toward having more control over our health care costs." The Observer concludes: "Such transparency, on a wider scale, can benefit both patients and providers."

# Maryland Working Toward ACA Implementation.

The <u>Baltimore Sun</u> (3/30, Dance) reported that Maryland officials "face a long to-do list" to implement the ACA, while "a dramatic proposed change in the way state hospitals can charge for services could add to the upheaval. On Tuesday, state hospital regulators submitted an application to change the state's Medicare waiver, which allows them to set hospital rates." The plan "would create incentives for Maryland hospitals to reduce the cost of care, ending compensation based on inpatient admissions and thus removing an incentive to fill more hospital beds." Maryland officials said they worked with the state's healthcare industry to devise the "complex new system."

#### **Public Health and Private Healthcare Systems**

# **Medicaid Expansion Decision Progress Across Country.**

Over the weekend and through Monday, states continue to make news for moving toward Medicaid expansion decisions. Coverage is scattered across the country, with especially heavy focus on Texas, Montana, and Mississippi.

High Profile Texas Lawmakers To Push For, Against Medicaid Expansion. The Texas Tribune (4/1, Ramshaw) reports, "On the heels of Monday's press conference by Gov. Rick Perry and US Sens. Ted Cruz and John Cornyn to reassert their opposition to expanding Medicaid, US Rep. Joaquin Castro, D-San Antonio, and his identical twin, San Antonio Mayor Julián Castro, will hold their own event to promote the key provision of federal health reform." The Castro brothers "will be joined by the Texas Hospital Association, supportive lawmakers and community and faith-based groups."

The <u>San Antonio Express-News</u> [4/1, Fikac) asks, "Could the Texas House debate Medicaid expansion?" The paper notes that "more than halfway through the legislative session, a conversation on the House floor would itself be a start. Devising and implementing a plan would take much more."

In an article titled, "Perry Under Pressure To Accept Obamacare," the <u>Financial Times</u> (4/1, Kirchgaessner, Subscription Publication) also covers the story. \*\*\*[HHS ONLY]\*\*\*

**Debate Over Medicaid Expansion Continues In Montana.** The AP (3/30, Gouras) reported, "Gov. Steve Bullock made sure Friday that it will be a little harder for Republicans to oppose votes expected next week on Medicaid expansion, pointing out that now even the conservative-leaning Montana Chamber of Commerce endorses the program." He told reporters, "The Legislature still has the opportunity, and Montanans want to see it. Other than those few Republican legislators, you have to ask yourself: 'who is against this?'"

The Missoulian (3/31, Dennison) reported, "The biggest supporters of Medicaid expansion in Montana – besides those who might get the coverage – are Montana's medical community, including hospitals, clinics, physicians, nurses and other providers." This is because "they'd benefit financially, as hundreds of millions of federal funds would pour into the state, to pay medical bills for some 70,000 Montanans now without insurance."

The Helena (MT) Independent Record (4/1, Dennison) reports further on the debate over expansion, explaining that "Republicans say expanding Medicaid will blow up the state budget, as the state pays a larger share of the program in future years, overload an already 'broken' Medicaid program with more people than it can handle, and hand out 'free' health care to thousands of adults who should be buying private health insurance instead." However, "Democrats argue the multibillion-dollar influx of federal Medicaid money from expansion not only will provide coverage for 70,000 adults who can't afford it otherwise, but also give a huge boost to the

economy, creating jobs and a healthier workforce."

Mississippi Democrats Block Medicaid Funding To Push Expansion. The AP (4/1, Tillman) reports, "The Mississippi House voted down a bill to fund the state's Medicaid program on Sunday, creating the likelihood of a special session." Though the vote, on Easter, was 58-49 in favor, a few more votes were needed to pass. Disagreement over the bill stems from whether the state should expand the program under the Affordable Care Act. Governor Phil Bryant responded Sunday in a statement, saying, "It is unfortunate that the Democrats in the Mississippi House are choosing political posturing to expand Obamacare at the expense of vulnerable citizens in nursing homes, aged, blind and disabled adults from losing services by not funding Medicaid."

The <u>Jackson (MS) Clarion Ledger</u> (4/1, Pender) reports that with the block, Democrats are trying "to force a vote on expanding the program and to block Gov. Phil Bryant from running it by executive order." As Rep. Steve Holland, a Democrat, explained, "The federal government is offering venture capital to expand the largest industry we've got in this state, and we can't even get a vote and debate on it. So we're doing what we have to do. We are going to have an up-or-down vote on Medicaid expansion - it may be in a special session - or we are not going to have Medicaid."

The Memphis (TN) Commercial Appeal [4/1, West) adds that "stunned Republicans asked the bill be held for one day as they decide how to pick up the three votes needed for passage of the Medicaid spending bill."

Arkansas Moving Toward "Private Option" For Medicaid Expansion. The AP (4/1, DeMillo) reports, "As Arkansas lawmakers approach what could be the final weeks of this year's session, it's becoming clearer that proposals to expand health insurance to low-income workers and to cut \$100 million in taxes are colliding." The article explains, "Lawmakers are mulling a proposal that would allow Arkansas to use federal Medicaid funds to purchase private insurance for low-income citizens - those who make up to 138 percent of the poverty line, which amounts to \$15,415 per year. The insurance would be purchased through the exchange created under the federal health care law." This move "comes as Beebe is showing an openness to tax cuts that he once said the state couldn't afford."

In an analysis piece, David Ramsey of the Arkansas Times [3/30] wrote that while "no Republican lawmaker has endorsed the new 'private option' framework for Medicaid expansion," many "are speaking, writing and tweeting about it positively." For example, "earlier this week Rep. Charlie Collins sounded downright excited about the new framework (maybe partly because of all the revenue expansion brings in)."

However, noting that "the Arkansas plan to expand Medicaid" is "getting attention from Republican leaders in Florida and Ohio, among other states," the Kaiser Health News (3/29, Galewitz) "Capsules" blog reported that "the strategy is not new," as "Oregon has been using this model for more than a decade - with mixed results." Reports "paint a mixed picture" about the Oregon Family Health Insurance Assistance Program. While "enrollees have a wider choice of providers than in traditional Medicaid," the program resulted in "higher deductibles and co-pays than traditional Medicaid, which means beneficiaries have larger out-of-pocket costs. As a result, some people report going without necessary health care, or delaying care until they could afford the cost-sharing."

Sebelius, Pennsylvania Governor To Discuss Medicaid Expansion Tuesday. The Allentown (PA) Morning Call (3/29, Darragh) reported that Gov. Tom Corbett will meet Tuesday with HHS Secretary Sebelius to discuss Medicaid expansion and will "be feeling the tug of hundreds of thousands of working poor, political leaders, healthcare providers and advocates from all sides in one of the last big political battles over Obamacare." The Morning Call said HHS "has shown some willingness to allow other balky states latitude in how they expand their Medicaid programs," and "that gives supporters of the expanded program hope and opponents a bit of concern."

In continuing coverage of related news from Pennsylvania, the Huffington Post (3/29) reported on a new study that found that "expanding Medicaid in Pennsylvania would have increased the annual amount of money the state receives from the federal government by around \$2 billion, adding about \$200 million in state revenue every year, according to a new study by the RAND Corporation, the nation's largest independent health policy research program." Further, the study showed that "the increase in funding would have added 35,000 jobs and provided a \$3 billion boost in economic activity."

Also reporting were the Sharon Herald [4/1, Finnerty) and KYW-TV [5] Philadelphia (3/30, Loeb).

Indiana Governor Pushes Controversial Medicaid Expansion Plan. In the Indianapolis Star (4/1), columnist Chris Sikich writes that Indiana "Gov. Mike Pence and state lawmakers are moving forward with an unconventional - and controversial - plan to expand Medicaid, which would offer health insurance to about 400,000 more Hoosiers." While the "unconventional part" is that officials "want to do it through the state's Healthy Indiana Plan," Sikich reveals that the "controversial part" concerns whether Indiana will be allowed "to alter Medicaid to fit the Healthy Indiana Plan." Although, if Washington fails to give Indiana approval, "Medicaid would not be expanded" in the state, Sikich notes that "it's a gamble that legislative leaders and Pence, a strong opponent of the Affordable Care Act, appear ready to take."

The Munster (IN) Times (4/1, Carden) reports that "it was always a long-shot that Indiana would expand eligibility for its Medicaid program... given the distrust of the federal government by the state's Republican-controlled Legislature and Republican Gov. Mike Pence." Now, however, "it appears increasingly likely the General Assembly will adjourn April 29 without taking any steps to prepare Hoosiers for the 2014 mandate that all Americans have health insurance." Noting that the House Public Health Committee is scheduled to

"take up Senate Bill 551 today," the Times adds that Debra Minott, secretary of the Family and Social Services Administration (FSSA), told the committee "last week that Pence believes state law already allows FSSA to negotiate" Healthy Indiana Plan (HIP) "matters with the federal government and nothing more is needed from the General Assembly, a claim that could potentially scuttle the pending legislation."

"Tense" Medicaid Expansion Debate In Missouri Continues. The AP (3/31, Lieb) reported that "in the tense Medicaid debate at the Missouri Capitol," opponents have raised concerns that Medicaid expansion would "create a crisis for public schools," while supporters warn the failure to expand Medicaid could "result in millions of Missourians' tax dollars going to health care in other states." Noting that the arguments "might best be labeled as hyperbole" because "states set some of their own eligibility criteria," the AP revealed that, "in Missouri, coverage is available to children whose families earn three times the poverty level, about \$58,600 annually for a single mother of two. Yet that mom cannot get Medicaid coverage for herself unless her income is less than about \$3,700 annually."

The Missourian (4/1, Johnson) reports that "the Washington Chamber of Commerce board of directors has given a letter of support to urge legislators in Jefferson City to approve Medicaid expansion," despite rejection by the Missouri House. Mike Peters, Mercy Health Systems' vice president of advocacy, "appeared before the chamber board Thursday morning to ask it to sign a resolution supporting Medicaid expansion, which is vital to Mercy Hospital Washington's financial operations because of huge spending cuts in the Medicare sector due to sequestration." Peters said that "looming payment cuts from Medicare and Medicaid from 2013 to 2019 threaten health care's future stability."

Battle Over Medicaid Expansion Mounts In Ohio. The Lima (OH) News (4/1, Malongowski) reports that, "on the same day that two powerful state legislators - Senate President Keith Faber and state Rep. Matt Huffman - laid out a case why the state needs to move cautiously before accepting federal funds for Medicaid, Ohio Gov. John Kasich was in Ohio's Appalachian foothills extolling his proposal to expand the coverage." Noting that the battle over Medicaid expansion "continues to play out among fellow Republicans," the News adds that the fight is expected to "come to a head" as "it pits lawmakers who are trying to rein in government spending against the leader of their party who is on a crusade to help the poor with money provided under President Barack Obama's health care overhaul."

The <u>Cincinnati Enquirer</u> (3/31, Bernard) reported that, "as the debate over Medicaid expansion in Ohio heats up, a new report details the impact the move could have across the state's 88 counties." The report, which was released by a partnership of the Health Policy Institute of Ohio, Ohio State University, the Urban Institute and Regional Economic Models Inc., "offers the first look at what each county stands to lose or gain as Ohio's legislature wrestles with whether to expand the joint federal-state health care program to hundreds of thousands of low-income residents." However, "whether this latest study can sway the minds of Republican legislators remains to be seen."

Florida Businesses Could Benefit From Medicaid Expansion. The Tampa Bay (FL) Times (3/30, Tillman) reported, "Service industries like restaurants, retailers and hotels all might benefit [from Medicaid expansion], both by avoiding financial penalties and by having employees who can get regular health care." According to the article, "It's a case made by two recent research reports, and one widely discussed in health policy circles. But Florida companies aren't talking it up."

Similarly, WFOR-TV Miami (3/31) reported, "In addition to providing insurance for those in need, an expansion of Medicaid in Florida would create more than 100,000 new jobs, according to one study." In a report "by the University of Florida Food and Resource Economics Department if the state used the \$51 billion in federal money to expand Medicaid, it would boost Florida's economy by 121,945 permanent jobs."

The Fort Myers (FL) News-Press (3/29, Gluck) reported that the Florida Hospital Association, citing this study, "on Friday called on state lawmakers to change course and endorse an expansion of Medicaid insurance coverage as outlined in the 2010 Patient Protection and Affordable Care Act."

McDonnell's Amendments Include "Tweaks" To Medicaid Compromise. The Washington Post (4/1, Whack) reports that the amendments Virginia Governor Bob McDonnell made to the state Legislature's "landmark transportation deal" are unlikely to derail the bill. The article notes that McDonnell's amendments "included tweaks to a compromise reached on Medicaid expansion that assured support from some Democrats on his marquee issue of transportation. Under the agreement, the legislature will form a 10-member commission to oversee Medicaid expansion if certain goals are achieved. McDonnell said his proposed changes are aimed at further defining what reform will look like in Virginia."

Brownback Leaves Medicaid Expansion Question To Kansas Legislature. The AP (3/31, Hanna) reported that Kansas Gov. Sam Brownback is leaving Medicaid expansion up to the legislature, and lawmakers "haven't formally rejected an expansion." That "gives advocates of an expansion hope that they eventually can change enough minds to bring tens of thousands of uninsured Kansans into Medicaid." The AP says Brownback also is studying the Arkansas model that has "received permission from the Obama Administration to use funds for a Medicaid expansion to subsidize private insurance for poor residents."

# New York's Medicaid Plan Receives High Marks For Handling Common, Costly Diseases.

On its website, NY1 [6] (4/1, Billups) reports that the National Committee for Quality Assurance (NCQA) "analyzed New York State's

Medicaid health care plan against 76 different quality measures and found that when it comes to offering the right type of care for common, costly diseases like diabetes, childhood obesity, smoking cessation and follow-up care for the mentally ill, New York is a national leader, second only to Massachusetts." NY1 notes that "the good grades from the national health care watchdog group left New York's state and city health commissioners beaming." New York State Health Commissioner Dr. Nirav Shah "points to work done by the state's Medicaid Redesign Team that helped cut \$4 billion out of delivery costs in the last year."

NYPost Concerned About Medicaid Misuse. In an editorial, the New York Post (3/31) expressed concerns about Medicaid waste and fraud. The Post note a recent audit from HHS that "identified an "extremely high" incidence of error in billing in the Family-Based Treatment Rehabilitation Services program for mentally ill young people. As a result, the state has overcharged the federal government, so the latter is now demanding New York return \$27.4 million in reimbursement fees." Even though \$27.4 million is a "drop in the bucket given the billions the state spends on Medicaid," a bipartisan report by the US House Oversight and Government Reform Committee released last month "was particularly scathing about putting the state's spending practices into depressing perspective," noting the "the worst abuses of the program consistently occurred in New York." The Post then advocates reducing Medicaid.

### Colorado Group, Lawmaker Pushing For Single-Payer System.

The <u>Denver Post</u> (4/1, Booth) reports on an effort in Colorado to put a single-payer system initiative on the ballot in 2014. The group pushing for the vote, Health Care for All Colorado, argues that healthcare is a right, not a privilege. The article notes that the initiative has found little support among Republicans or Democrats.

The <u>Durango Herald</u> (3/30) reported on another push in Colorado for universal healthcare, this one from state Senator Irene Aguilar. Specifically, "Aguilar's bill would ask voters to create a statewide health insurance co-op, owned by all Coloradans, which would replace health-insurance companies. It would offer one wide-ranging policy for all residents. It would be funded by a tax, which would replace the insurance premiums that companies and people now pay."

Editorials Look Ahead To Possible Single-Payer Healthcare System. In an editorial, the Salt Lake (UT) Tribune (3/30) wrote that the Affordable Care Act is simply "one last opportunity for the private health insurance market to prove that it can offer a service that covers the millions of Americans who were previously left out, at a cost that we - as individuals, employers and taxpayers - can afford." However, the paper said it does not believe that this will bear out, and advocated instead for "a single-payer plan - Medicare for all."

Similarly, but from a more negative perspective, in an editorial, the Augusta (GA) Chronicle (3/29) wrote that HHS Secretary Kathleen Sebelius was "not just wrong but is off by a galaxy or two" when she "cited a slowdown in Medicare expenses and conclude that American health-care costs were going down." The paper continued, "In a 2009 article, political watchdog Politifact.com noted fears among some Americans that 'private insurance will wither in the face of a public option and Obama will get the single-payer system he secretly wants.' So far, no signs have emerged to point in another direction."

#### Uninsured

# Local Health-Insurance Marketplaces Struggle To Get People Enrolled.

The Washington Post (3/31, Galewitz) reports from Florida that a Palm Beach County program that offered subsidized health insurance coverage for \$52 a month to residents who didn't qualify for Medicaid attracted "fewer than 500 people" after a year. The program's outcome has created "worry that similar problems could bedevil the new online health insurance marketplaces that open for enrollment Oct. 1 under the Affordable Care Act." The Post also says that "persuading millions of people to buy insurance...is still expected to be a tough sell," while the Obama Administration "has yet to release any details of its marketing campaign" for ACA options.

#### Also in the News

#### NY Post Concerned About Medicaid Misuse.

In an editorial, the New York Post (3/31) expressed concerns about Medicaid waste and fraud. The Post note a recent audit from HHS that "identified an "extremely high" incidence of error in billing in the Family-Based Treatment Rehabilitation Services program for mentally ill young people. As a result, the state has overcharged the federal government, so the latter is now demanding New York return \$27.4 million in reimbursement fees." Even though \$27.4 million is a "drop in the bucket given the billions the state spends on Medicaid," a bipartisan report by the US House Oversight and Government Reform Committee released last month "was particularly scathing about putting the state's spending practices into depressing perspective," noting the "the worst abuses of the program consistently occurred in New York." The Post then advocates reducing Medicaid.

#### Friday's Lead Stories

- Obama Signals Willingness To Reform Medicare In Budget Deal.
- Report: Premium Hikes In California May Be Offset By ACA Subsidies.
- Sequester's Medicare Cuts Kick In April 1.
- Survey Finds Majority Of Small Business Owners Confused About ACA.
- FBI, HHS Agents Raid Florida Office Of Universal Health Care.

#### **Subscriber Tools**

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

Advertise with BulletinHealthcare: 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 © 2013 by BulletinHealthcare | 11190 Sunrise Valley Drive, Suite 130 | Reston, VA 20191