

NAHU Newswire

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Customized Briefing for Kimberly Barry-Curley

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Leading the News

HealthCare.gov CEO Foresees “Complicated” Open Enrollment.

On the front of its Business Day section, the [New York Times](#)   (9/3, B1, Abelson, Subscription Publication) reports that insurance executives and managers of online marketplaces are already preparing for the coming open enrollment period, saying they fear it could be even more difficult than the last. No one expects to face last year's technological hurdles, but the upheaval in insurance markets, with new carriers entering and the price of plans changing significantly, may make the coming year no easier than the last. Adding to the complexity is the shorter time frame for choosing a new policy: three months instead of six.

[The Hill](#)   (9/3, Viebeck) reported that Kevin Counihan, the newly-minted CEO of healthcare.gov, said, “In some respects, it’s going to be more complicated. Part of me thinks that this year is going to make last year look like the good old days.”

Tavener Weighs In On Open Enrollment. The [Congressional Quarterly](#)   (9/4, Attias, Subscription Publication) reports that CMS Administrator Marilyn Tavener also made comments about the upcoming open-enrollment period, saying her agency will focus on both signing up Americans who are currently uninsured as well as getting currently enrolled people to renew their policies. She said the results of the Affordable Care Act so far have been “pretty phenomenal.”

From NAHU

PPACA Certification Course

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

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[Click here](#) to enroll in this course or visit NAHU's [PPACA certification webpage](#) for more information.



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



Legislation and Policy



H&R Block CEO: ACA Will Add Complexity To Tax Season.

The [Washington Examiner](#)   (9/4, Klein) reports that H&R Block CEO William Cobb warned that he expects the Affordable Care Act to add complexity to next year's tax preparation process. The ACA's individual mandate requires most people to prove that they carry insurance or face fines, but there are multiple categories of exemptions and, said Cobb, "Depending on the type of exemption, the process to claim it could be quite cumbersome and time consuming." In his comments, which he made in a quarterly earnings call ([transcript here](#)  ) , Cobb also outlined other ways in which he believes the ACA will make tax preparation harder.

The [Kansas City \(MO\) Star](#)   (9/4) reports that H&R Block's staff and computer systems are being readied to deal with the implications of the ACA. During the call, Cobb considered it a possible business opportunity, calling it "a long-term play."

The [Daily Caller](#)   (9/4, Hurtubise) reports on Cobb's comments based on the Examiner's coverage.











Some Immigrants Face Confusion With American Health Insurance.



[Kaiser Health News](#)   (9/3, Evans) reported that some immigrant enrollees in health insurance through the Affordable Care Act are unaware of the realities of the American healthcare system and how insurance works in this country. Health insurance varies greatly from country to country, meaning some people visit physicians without being aware that they are required to pay co-pays or premiums. Additionally, there is some confusion due to language barriers and the differing implications of the ACA on immigrants with different legal statuses.



Public Health and Private Healthcare Systems


CMS Study Predicts Growing Health Spending.



In a report released yesterday, the Centers for Medicare and Medicaid Services estimates that healthcare spending has experienced very small increases for the past several years, but rapid growth may be on the horizon due to a rebounding economy, an aging population, and the Affordable Care Act's expansion of access to care. The report is widely covered in today's press, with mentions across print, wire, and Internet sources.

Predictably, outlets focus on different aspects of the wide-ranging study, as reflected by their headlines. For example, the [Daily Caller](#)   (9/4, Hurtubise) leads with "Obamacare's Going To Spike Health Care Spending," [Politico](#)   (9/4, Norman) headlines "Health care spending growth modest," the [Pittsburgh Tribune-Review](#)   (9/4) leads with "Growth of medical spending moderate as employees are asked to contribute more," and the [Huffington Post](#)   (9/4, Young) uses "Health Care Spending To Tick Up In 2014, But Just A Little." The [Wall Street Journal](#)   (9/4, A2, Armour, Subscription Publication) breaks down the numbers in the report. CMS found healthcare spending in 2013 increased by 3.6% to 2.89 trillion dollars compared to a 3.4% increase in GDP, marking the fifth consecutive year of small increases. The analysis projects 5.6% growth in health spending this year and 4.9% in 2015, followed by an annual rise of 6.1% through 2023. Assuming the economy as a whole grows at a rate of 4.6%, healthcare's share would increase from 2012's 17.2% to 19.3% in 2023.







The [New York Times](#)   (9/4, A19, Pear, Subscription Publication) reports CMS "predicted a rebound in national health care spending, after four years of exceptionally slow growth, because of expansions in coverage and improvements in the economy." While the ACA has resulted in health insurance coverage for millions of new consumers, the effect is somewhat mitigated by the ACA's changes to Medicare payments, its excise tax on "Cadillac" insurance plans, and a broader trend among private insurers toward higher deductibles and co-pays, all of which are projected to reduce utilization of health services. The report anticipates that by 2023, the Federal government will be responsible for a larger share of health spending, state and local governments' portion will be maintained, and households and businesses will pay a smaller part.





The [Washington Post](#)   (9/4, Millman) "Wonkblog" notes that the estimated rise in health spending would be lower than the increases experienced in the 1990's and the last decade. Unlike past reports, the CMS' latest does not estimate what the numbers would be without the ACA. According to Andrea Sisko of CMS, "Now that the ACA has been in place well over four years, it's increasingly difficult to estimate a counter-factual, meaning what the world would like in the absence of the Affordable Care Act."





[USA Today](#)   (9/4, O'Donnell) quotes CMS Administrator Marilyn Tavenner, who said the report shows "health care costs are increasing at a slower rate thanks to the Affordable Care Act."



The [Los Angeles Times](#)   (9/4, Levey) reports that some experts believe health costs could be reduced through the greater use of innovative technology and payment methods. For example, "insurance companies are increasingly rewarding medical providers who deliver better-quality, more efficient care rather than simply do more procedures."



Recent Analyses Show Cost Of Not Expanding Medicaid.

Outlets have been using three recent analyses as the basis for their coverage on the Medicaid expansion debate. The three reports include: a [joint report](#)   from the Urban Institute and the Robert Wood Johnson Foundation; a McClatchy [analysis](#)   of the data contained in the Johnson-Urban report; and an [analysis](#)   from PricewaterhouseCoopers Health Research Institute that observed the effects of non-expansion on hospitals and providers specifically.



[Modern Healthcare](#)   (9/4, Dickson, Subscription Publication) reports that, according to the PwC analysis, “major investor-owned medical systems” in expansion states “have seen Medicaid admissions rise between 10.4% and 32% since the start” of 2014. The report says, “In states that have expanded Medicaid, an influx of newly insured patients has helped reverse long-running hospital trends such as declining admissions and a rise in uncompensated care.” The [New Orleans Times-Picayune](#)   (9/4) also reports on the effects of Medicaid expansion on hospitals.



The [Charlotte \(NC\) Observer](#)   (9/2) reports that according to the McClatchy analysis, North Carolina residents “could spend more than \$10 billion by 2022” in taxes to cover the medical expenses of “low-income residents of other states while getting nothing in return.” The amount of money paid in taxes would not change regardless of whether or not the state decides to expand Medicaid, but as it stands North Carolina and the other 22 non-expansion states will not share in the benefits. [Alabama Live](#)   (9/4) reports on losses to be experienced by Alabama according to both the PwC and Johnson-Urban analyses.

Chris Fitzsimon, executive director of NC Policy Watch, writes in an op-ed for the [Robesonian \(NC\)](#)   (9/4) about the state’s GOP lawmakers “having an increasingly difficult time” standing behind “maybe the most ill-advised decision” they’ve made, which is “the refusal to expand Medicaid.” Fitzsimon alleges that Senate President Pro Tem Phil Berger and the other GOP members of the General Assembly “did not reject Medicaid expansion because of some issues with flexibility or questions about federal funding. They did it because it is part of the Affordable Care Act that their political base demands they oppose to the illogical extreme.”



The [Miami Herald](#)   (9/4) editorializes that it is a “shame that lawmakers’ allegiance to ideology has trumped their responsibility to act in their constituents’ best interests.” Florida’s estimated contribution to Medicaid for beneficiaries of other states is \$51 billion of the total \$152 billion to be contributed by “Floridians and their counterparts in 22 other stubborn states.”

BlueCross, Cigna, Humana Exchange Rate Increases Approved



On Wednesday afternoon the [Nashville \(TN\) Business Journal](#)   (9/3, Kennedy, Subscription Publication) reported that the Tennessee Department of Insurance and Commerce approved rate increases proposed by several insurers, including BlueCross BlueShield of Tennessee, Cigna and Humana, that will offer plans on HealthCare.gov in Tennessee. The Business Journal noted that at 19 percent, the largest increases were proposed by BlueCross, “which the company has said is necessary to reach a ‘break-even’ point in 2015 after a loss of ‘tens of millions of dollars’ during the first year of the public exchange.” Cigna had proposed a 7.5 percent rate increase, while Humana had proposed a 14 percent increase.



Similarly, in a report that ran on its website as well as during its 7 p.m. broadcast, [WSMV-TV](#)   Nashville, TN (9/3, Amons) noted the BlueCross, Cigna and Humana rate increases were approved, and added that BlueCross said that despite the 19 percent increase “their premiums for 2015 are still among the most affordable options.”

Federal Judge Rules Tennessee’s Medicaid Backlog “Unlawful.”



[MSNBC](#)   (9/4) reports on a Federal judge’s ruling that Tennessee “unlawfully left thousands of people in limbo when they applied for Medicaid,” following the state’s decision “to rely entirely on the federal health exchange for Medicaid enrollments and failed to address application backlogs.” No official number has been provided for the amount of people in the Medicaid backlog, but estimates fall “in the tens of thousands.”

Missouri Governor Reopens Medicaid Expansion Debate.



The [St. Louis Public Radio](#)   (9/4, Mannies) reports that Missouri Governor Jay Nixon (D) is “rekindling his longstanding pitch in favor of expanding Medicaid.” During an address with the St. Louis Regional Chamber and Growth Association, Nixon said, “Until we get right” on the Medicaid issue “and bring back these dollars and expend them on improving both access and quality of care in our state, we’ll begin to see what we’ve seen unfortunately in many parts of the state: The loss of jobs, quite frankly, in the health care sector.”

Column: Missouri Republicans Should Drop Work Requirement Proposal For Medicaid Expansion. Jordan Shapiro of the [St. Louis Post-Dispatch](#)   (9/4) writes in a column that although Missouri Republicans want a work requirement attached to any Medicaid expansion plan for the state, the “new agreement between the federal government and Pennsylvania suggests that strategy probably won’t work.” State Representative Noel Torpey (R) “said he plans to talk with Pennsylvania lawmakers about their Medicaid agreement and could modify his plan based on their experiences,” although he “reiterated that expanding Medicaid eligibility in Missouri would depend on changes to the program that likely will require federal waivers.”





South Carolina Clears Backlog of Medicaid Applications.


The [Charleston \(SC\) Post and Courier](#)   (9/3, Sausser) reports that South Carolina cleared its “substantial” backlog of Medicaid applications ahead of its “self-imposed deadline” last month. A technical transfer glitch between the Federal marketplace and the state agency was blamed for the backlog. Beth Hutto, Medicaid’s deputy director for eligibility, “said the department determined about 60 percent of the applications transferred from the federal insurance marketplace were eligible for Medicaid.”

Per Capita Medicare Spending Decreasing.

The [New York Times](#)   (9/4, Sanger-Katz, Subscription Publication) reports in its “Upshot” blog that “Medicare spending isn’t just lower than experts predicted a few years ago,” but “On a per-person basis, Medicare spending is actually falling.” The paper attributes this pattern to two factors. The first factor is that “the baby boom generation is entering the program...in the short term, it skews the group enrolled in Medicare toward a younger, healthier population,” The second factor is that “over the last few years...Medicare patients have been using fewer expensive medical services, particularly hospital care and prescription drugs.”



Vermont Gubernatorial Candidate Calls For Dropping Health Connect.



The [Burlington \(VT\) Free Press](#)   (9/3, Remsen) reports that Dan Feliciano, the libertarian gubernatorial candidate in Vermont, says the state should “Scrap the troubled insurance marketplace and go with the federal insurance exchange,” among other health reforms. He argues “It is costing millions of dollars and not achieving the goal it was intended to achieve.” The paper reports he proposes “migrating everyone now buying coverage on Vermont’s exchange to the federal exchange.” The [VTDigger](#)   (9/3) also reports on this story.



Vermont Hires New IT Director For Health Connect. The [VTDigger](#)   (9/3) reports that Robert Skowronski has been hired as the interim-deputy commissioner for Vermont Health Connect. In a previous role with UnitedHealthcare, Skowronski “had a first-hand look at the relationship between an Obamacare exchange and an insurance carrier.”

Senior Market News













Google In \$1.5 Billion Pact To Develop Treatments For Diseases In Elderly.

News that search giant Google Inc. is partnering with pharmaceutical firm AbbVie Inc. in a \$1.5 billion deal to develop new treatments for diseases typically affecting older patients found coverage in several major newspapers as well as in at least two news agencies. The [Wall Street Journal](#)   (9/3, Barr, Loftus, Subscription Publication) reports Google will invest in the partnership through its Calico LLC life-sciences affiliate, headed by former Genentech Inc. CEO Arthur Levinson. The agreement calls for the establishment of a new research and development center in the San Francisco Bay area.

Giving details of the arrangement, the [New York Times](#)   (9/3) notes in its “Bits” blog that under the deal, one company, Calico, will handle “the early phases of drug development while the other,” AbbVie, “takes responsibility for testing and making whatever gets discovered.” The paper also notes the facility “will research diseases that afflict the elderly, such as neurodegeneration and cancer.”



[Bloomberg News](#)   (9/3, Chen) reports that in announcing Calico’s creation, Google CEO Larry Page “said in a blog post that the company hoped to improve ‘millions of lives’ with ‘longer term, moonshot thinking around health care and biotechnology.’” In his blog post, Levinson wrote: “Our goal is to make progress on a very basic challenge: how to help people stay healthier for longer.” According to the CEO, “collaboration with AbbVie will ‘turbocharge our efforts.’”

Reporting on the financial aspects of the deal, the [AP](#)   (9/4) reports the alliance “calls for Google Inc. and AbbVie Inc. to each invest \$250 million in the project.” The piece also notes that “an additional \$1 billion may be poured into the project. The two companies will split all expenses and any profits generated by the venture.”

The news also received coverage in [Reuters](#)   (9/3, Pierson), the [Chicago Tribune](#)   (9/3), [NBC News](#)   (9/3), the [San Francisco Chronicle](#)   (9/3, Lee), the [San Francisco Business Times](#)   (9/4, Subscription Publication) and [Forbes](#)   (9/3).

Uninsured

Report: Amount Of Cyberattacks On Hospitals Unparalleled In Recent Months.

The [Birmingham \(AL\) Business Journal](#)   (9/3, Alexander, Subscription Publication) reported that according to a report recently issued by Websense, a security research company, even though “attempted cyber attacks are on the rise in many industries, the amount of digital invasions on hospitals is unparalleled and has risen 600 percent in the last 10 months.” MIT Technology Review explained the

reason for the increased number of attacks: "Hospitals do a poor job of protecting their networks and the valuable information that can be stolen from patient records 'can be worth hundreds of dollars to uninsured people wanting to pose as someone else to obtain medical care they couldn't otherwise afford.'"

Wednesday's Lead Stories

- [Insurers Expect Second Round Of ACA Enrollments To Be Smoother.](#)
- [Medicaid Expansion Benefits Hospital Profits.](#)
- [Pennsylvania Gubernatorial Race Could Affect Future Of Healthy PA.](#)
- [Senator Asks For Special Enrollment Period For Wisconsin's Uninsured.](#)

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