

NAHU Newswire

Today's News for the National Association of Health Underwriters

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Customized Briefing for Kimberly Barry-Curley

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Leading the News

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COMPLIANCE CORNER

Q&A

House Approves Bill Allowing Consumers To Stay On ACA-Canceled Plans.

[Politico](#) (9/12, Haberkorn) reports that the US House of Representatives on Thursday passed a measure 247-167 that would allow “consumers to stay on once-canceled plans until 2019.” The measure has the backing of every Republican, along with 25 Democrats. The bill was sponsored by Rep. Bill Cassidy (R-LA).

[The Hill](#) (9/12, Marcos) reports in its “Floor Action” blog that the bill offered the “most vulnerable incumbents” on the Democratic side an opportunity to “distance themselves from the president on the still-controversial Affordable Care Act.” The Hill notes that the White House previously threatened to veto the legislation, arguing it would “roll back the progress made because of the Affordable Care Act and would allow insurers to deploy practices such as charging businesses more when a worker has a pre-existing condition or when it has more workers who are women than men.”

The [Washington Times](#) (9/12, Howell) reports that the support of the 25 Democrats was diminished from a similar bill last year that garnered 39 Democrat votes, but still represented “a significant break with Mr. Obama.”

[Congressional Quarterly](#) (9/12, Zanona, Subscription Publication) reports that the bill “would allow companies and workers to keep employer-sponsored group health plans not in compliance with the law’s coverage requirements.” The Congressional Budget Office (CBO) estimates the legislation would increase Federal revenue by more than one billion dollars over the next decade. The [Washington Post](#) (9/11, Harrison), the [Daily Caller](#) (9/12, Hurtubise), and [Modern Healthcare](#) (9/11, Subscription Publication) also report on the vote.




GOP Continues Opposition To ACA. In addition to the House’s vote, Republicans took other steps to affirm their ongoing opposition to the Affordable Care Act.

[CBS News](#) (9/12, Alemany) reports that Rob Portman, Vice Chairman of the National Republican Senatorial Committee, said yesterday that Republicans will likely hold a vote to repeal the Affordable Care Act if the GOP obtains a majority in the Senate in November’s midterm elections. Portman provided his rationale for the effort: “We think healthcare costs should be going down, not up. We think people should be able to keep insurance that they had. We’re worried about the fact that the next shoe to drop is going to be employer coverage.”

The [Washington Times](#) (9/11, McLaughlin) reports that, according to Portman, members of the new Senate majority would also work to create their own version of healthcare reform. The [Huffington Post](#) (9/12, Stein) also covers Portman’s comments.

[The Hill](#) (9/12, Viebeck) reports on insurance executives who partner with the Obama

Administration but make financial contributions to Republicans. America's Health Insurance Plans (AHIP) PAC has spent more on Republicans than Democrats in the current election cycle, and insurance executives who recently met with HHS Secretary Sylvia Mathews Burwell have given twice as much to the GOP as to the Democratic Party.

[WEVO-FM](#)   Concord, NH (9/12, Bever) and [Vox](#)   (9/12, Yglesias) also report on the politics of the Affordable Care Act.

From NAHU

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Legislation and Policy

Study Finds No Rise In Involuntary Part Time Status After ACA Implementation.



The [Washington Times](#)   (9/12, Howell) reports on a study that suggests the Affordable Care Act has not resulted in a significant number of employers forcing formerly-full time employees to work part time. According to the Times, "The liberal-leaning Center for Economic and Policy Research said the percentage of employed persons who are working part-time involuntarily went down — 5.55 percent to 5.07 percent — from the first six months of 2013 to the same period in 2014." Since the ACA's rollout, there have been some reports of businesses shifting employees to part time status in order to skirt the so-called "employer mandate," which requires insurance coverage for full time employees.

[WOAI-AM](#)   San Antonio (9/12) reports on related concerns that some small businesses are reducing hiring in order to avoid paying added health costs under the ACA.

HHS Announces Grants To Boost Minority Enrollment.



[The Hill](#)   (9/12, Hill) reports that the Department of Health and Human Services (HHS) announced \$3.2 million in new grants to help "racial and ethnic minorities" enroll in health insurance coverage during the upcoming open-enrollment period. HHS awarded grants to 13 organizations under the auspices of the Partnership to Increase Coverage in Communities (PICC) program.

CVS Health Found Charging Contraceptive Co-Pays.



[Kaiser Health News](#)   (9/12, Luthra) reports that CVS Health is conducting an internal investigation into how the company ended up charging co-pays for generic birth control prescriptions. Rep. Jackie Speier (D-CA) raised awareness of the practice, which contravenes provisions of the Affordable Care Act. CVS Health has not yet commented publicly on the cause of the co-pays, but a spokeswoman from the National Women's Law Center said other organizations have also had problems implementing the ACA's rules on contraceptive co-pays.

Nearly 250,000 Health Policies In Virginia Face Cancellation Due To ACA.



[WVIR-TV](#)   Charlottesville, VA (9/12, Austin) reports that around 250,000 people living in Virginia will have their health insurance policies canceled because they do not comply with the requirements of the Affordable Care Act. The cancellations are a part of the longstanding controversy over the ACA's minimum standards for health plans. Doug Gray, executive director of the Virginia Association of Health Plans, told the NBC affiliate that shifting people into ACA compliant health plans could eventually add stability to the health system.

The [Daily Caller](#)   (9/12, Hurtubise) reports that the Obama Administration last year allowed states to extend the deadline for non-compliant policies to 2017, but some states chose not to participate in the delay.



Some Insurers Worried About HealthCare.gov As Open Enrollment Nears.

[Modern Healthcare](#)   (9/11, Tahir, Subscription Publication) reports that insurance companies are preparing for potential technical problems with healthcare.gov during the upcoming open enrollment period. Although it is widely believed that this year will not see a repeat of the website's disastrous 2013 launch, insurers "are expressing lingering anxiety."



Consulting Firm Projects Increased Interest In Employer Health Plans.



[Forbes](#)   (9/11, Japsen) reports that employers who offer health insurance are anticipating increasing interest from employees in signing up for health insurance as the Affordable Care Act's individual and employer mandates are implemented. A report by the consulting company Mercer estimates "22 percent of employer health plan sponsors are 'likely to see enrollment grow' when they are required to open plans to employees who work 30 or more hours per week."



Rise In Healthcare Spending May Boost GDP Growth This Year.

[Bloomberg News](#)   (9/12, Stilwell) reports that economists boosted their estimates for Q2 GDP growth after a Thursday Census Bureau report showed healthcare spending on the rise. Healthcare providers' revenue in the 2nd quarter "rose 3 percent from the first quarter, according to quarterly data on service industries that aren't adjusted for seasonal swings or price changes." That likely means that GDP for Q2 "will be revised up to a 4.6 percent annualized rate, said Stephen Stanley, chief economist at Pierpont Securities," up from an originally-reported 4.2 percent rise.



Report Shows Increasing Health Spending.

[Kaiser Health News](#)   (9/11, Hancock) reports that, contrary to projections by CMS and other agencies, "health and social spending as measured by the Census Bureau grew by only 3.7 percent from the second quarter of 2013 to the same quarter of 2014." The report hints that the ACA's increase in health insurance coverage has not resulted in quite as large of increases in healthcare spending as many feared.



The [Wall Street Journal](#)   (9/12, Leubsdorf, Subscription Publication) reports that the Centers for Medicare and Medicaid Services last week estimated that healthcare spending would rise 5.6 percent this year, up from 3.6 percent last year. While that did not emerge during the 1st quarter, analysts expect to do so for the remainder of the year.

[Reuters](#)   (9/12) also reports on health spending.

UnitedHealthcare Entering Wisconsin Health Insurance Exchange.

The [Milwaukee Business Journal](#)   (9/11, Kirchen, Subscription Publication) reports UnitedHealthcare, which "holds the largest market share of any health insurer in Wisconsin," will enter the state's Obamacare online health insurance marketplace "for individuals and small businesses starting in 2015." In a statement, the company said they "expect to have a competitive product available for Wisconsin consumers that will be valuable in terms of quality, access, affordability, innovative design and service excellence." All the insurers from 2014 are returning, with the largest being Anthem Blue Cross. However, Humana and Assurant Health plan to continue to "remain on the sidelines."



Colorado Suspends SeeChange Health Insurance's License.

The [Denver Post](#)   (9/12, Draper) reports that after California issued a cease-and-desist order to SeeChange Health Insurance due to "concerns about the company's financial solvency," the Colorado Division of Insurance has suspended the company's license. The 4,000 residents insured by the company will have their policies terminate at the end of the year.



The [Denver Business Journal](#)   (9/11, Sealover, Subscription Publication) reports employers who purchased policies through the



company will have “to find new insurance by the end of this year.”



DC Health Benefit Exchange Authority Moving.

The [Washington Business Journal](#)   (9/12, Reed, Subscription Publication) reports in its “Biz Beat” blog that the DC Health Benefit Exchange Authority, which oversees the city’s health insurance exchange, is moving to permanent headquarters at 1225 Eye St. NW, less than half a mile from its current site. The city has a “10-year lease with an option to renew for five years for 19,046 square feet of office space” and will pay \$838,024 for the first year’s rent.



Head Of Oregon Senate To Offer Bill Abolishing State Health Insurance Exchange.

The [Portland \(OR\) Tribune](#)   (9/12) reports Oregon state Senate President Peter Courtney (D) said “he will introduce legislation next session to abolish Cover Oregon, the state’s problem-plagued health insurance exchange,” offering “Republicans a chance to embarrass” Gov. John Kitzhaber (D). Three state Republicans are calling for a special session to deal with the issue now, although it is “unlikely to happen,” as both chambers are controlled by Democrats.



Additional Commentary. In an editorial, [The Oregonian](#)   (9/12) writes that Cover Oregon “has been a train wreck” and “a costly and serial embarrassment.” The paper concludes Cover Oregon “needs to die.” The paper calls for waiting for Cover Oregon’s board to make recommendations “on what it considers to be the best way forward.” While the paper doesn’t believe a special session is needed, it concludes that the state legislature has “only a few months to map a legible route to an exchange” that works, is open to public scrutiny, and protect residents’ well-being at “the lowest prices available.”

In an editorial, the [Bend \(OR\) Bulletin](#)   (9/12) writes that “critical facts are getting lost in the political frenzy,” including that the exchange’s “seeds of destruction were planted” when it was created under the Oregon Health Authority, which is now “being touted as the savior “of the program. The paper calls for politicians “to get serious about solutions that work rather than sound tough on the campaign trail.”



Poll: Support For Measure To Raise California Medical Malpractice Award Cap Falling.



The [San Jose \(CA\) Mercury News](#)   (9/12, Richman, Seipel) reports a new Field Poll found “failing” support for California’s Proposition 46, which would raise the state’s “four-decade-old \$250,000 cap on medical malpractice awards for ‘pain and suffering,’” with just 34 percent of likely voters supporting it, 37 percent opposing it and 29 percent undecided, compared to nearly two to one support in a previous survey conducted late June through mid-July. The measure has been targeted by “a blistering ‘no’ campaign, and Field Poll director Mark DiCamillo said that, given the 16 times money advantage of its opponents over supporters, the results are “an epitaph for Proposition 46. The poll also found “a staggering drop” in support for Proposition 45, which would give the state insurance commissioner a veto over medical insurance rate hikes, with 41 percent supporting the measure, 26 percent opposing it, and 33 percent are undecided, compared to over four to one support in the previous poll.

Nevada Health Exchange To Stop Seeking Private Vendor.

The [Las Vegas Review-Journal](#)   (9/12, Robison) reports Nevada’s Silver State Health Insurance Exchange’s board voted to stop searching for a replacement private vendor for Nevada Health Link and continue using the Federal healthcare.gov system’s enrollment and eligibility software. The board said it came to the decision due to learning more about how the current set up would work and additional concerns about the complexities of vendor selection.



Massachusetts Seeking Extension Of Expiring Health Insurance Programs.

The [Boston Business Journal](#)   (9/12, Bartlett, Subscription Publication) reports in its “Health Care Inc.” blog that Massachusetts will request “another extension for its existing health care program and an extension of temporary Medicaid” to help the state deal with “a rush of enrolees” and allow members more time to switch programs. The programs currently will expire at the end of December, but Maydad Cohen, special assistant to the governor for project delivery, detailed a proposal to extend Commonwealth Care programs through January, as well as three waves of temporary Medicaid extensions based on when members enrolled in coverage.



PR Firm Enters \$4.3 Million Deal To Promote Massachusetts Healthcare Exchange. The [Boston Herald](#)   (9/12, Cassidy) reports the Massachusetts Health Connector “approved a \$4.3 million deal with the public relations firm Weber Shandwick for a public education and marketing campaign to convince Bay Staters to enroll.” State Obamacare czar Maydad Cohen expressed confidence the “revamped website” will be able to “handle 23 times as much simultaneous traffic as the botched portal that unraveled last fall.” Meanwhile, “the Massachusetts Health Connector will make 2.3 million phone calls, knock on 200,000 doors, send out mailings, host town halls and air TV ads this fall to promote” the site.

Public Health and Private Healthcare Systems



MedPAC Considering Cost-Based Approach To Medicines.



The [Congressional Quarterly](#)   (9/12, Young, Subscription Publication) reports the Medicare Payment Advisory Commission considered whether and how “having Medicare set payments for some drugs based on the cheapest price of a similar group of medicines” would work for doctors’ offices for “cases where medical evidence suggests two or more drugs for the same condition produce roughly the same results.” This so-called least costly alternative approach was used by Medicare between 1995 and 2010 for so-called Part B drugs administered in a physician office setting until a court ruling put a stop to it. MedPAC staff said that new legislation would required the authorize the practice but cited an inspector general’s audit that “projected \$1.1 billion in savings over two years.” Possible issues include how to decide which medicines are similar enough to be a class and maintaining incentives for “smaller advances in medicine.” Randy Burkholder, vice president for policy and research of the Pharmaceutical Research and Manufacturers of America, called the approach “unworkable” and said it “would create significant access barriers to important new treatment options.”

Released Arkansas Medicaid Expansion Rates Criticized.



On [Forbes](#)   (9/11), Jonathan Ingram, Nic Horton, and Josh Archambault of the Foundation for Government Accountability criticize “Arkansas’ ‘Private Option’ ObamaCare Medicaid expansion,” adding that Governor Beebe’s office is fabricating positive news for the plan. The authors argue that a press release predicting premiums in the ObamaCare exchange will decline by an average of 2 percent next year doesn’t provide actual plan rates, account for the most expensive plans’ expansion, people being auto-assigned to the “more expensive plans,” extra costs being added to the program, the most expensive enrollees going into the traditional fee-for-service Medicaid program, and Blue Cross Blue Shield sought “an average premium hike of 8.5 percent for Private Option plans before apparently settling on the 2 percent hike approved by the state.”

54 Hospitals Reportedly “At Risk Of Closing” Due To Lack Of Medicaid Expansion In Tennessee.



In an extensive front-page article running nearly 2,300 words, the [Nashville \(TN\) Ledger](#)   (9/12, Stockard) reports on the issue of Medicaid expansion in Tennessee and how “‘there’s a marked difference’ between the financial situation for Tennessee hospitals and those in states that accepted federal Medicaid expansion.” Of the 125 hospitals in the state, “three facilities closed in West Tennessee since the governor rejected conventional Medicaid expansion” and another “in Scott County in East Tennessee shut down, before reopening.” A map included in the Ledger’s report shows that 54 hospitals “are at risk of closing,” which could leave 30 counties without a hospital.

Prospect Of Medicaid Expansion In Tennessee Elicits Concerns About Increased ER Visits. In an article running nearly 1,800 words, the [Nashville \(TN\) Ledger](#)   (9/12, Burke) considers two “significant and related” concerns pertaining to the prospect of expanded Medicaid, or an alternative option to leverage Federal money to purchase private insurance for Tennessee’s uninsured, in the state. Those two concerns are, the Ledger reports, that Medicaid expansion “will lead to increased visits to the most expensive place in America for routine health care, the emergency room,” and that “there may not be enough primary care doctors to treat...newly covered patients” added through expansion, “one of the reasons some people with non-emergency illnesses show up at the ER.”



Paper Criticizes Healthy PA Program.

In an editorial, the [Montgomery \(PA\) News](#)   (9/11) argues that Pennsylvania Gov. Tom Corbett’s getting a Medicaid waiver for his “Healthy PA” program isn’t a positive step. The paper notes “Corbett rejected an estimated \$3.3 billion in federal Medicaid expansion funds that would have allowed” Pennsylvanians who might end up covered by Healthy PA “to have affordable health care coverage all of this time.” Furthermore, under his proposal, “senior citizens and existing Medicaid enrollees” could lose benefits, yet Healthy PA will “not be affordable to many low-income working families and will limit access to critical health services, according to Sharon Ward, director of the Pennsylvania Budget and Policy Center.”



Alabama Governor Criticized For Not Expanding Medicaid.

In an editorial, the [Anniston \(AL\) Star](#)   (9/12) criticizes Alabama Gov. Robert Bentley for not expanding Medicaid. While he calls the system “broken,” Bentley “conveniently misses the human elements” of the program. Those who would be covered are “normal, everyday, working people.” The paper concludes, “It’s almost as if he’s not paying attention, as if he doesn’t see the obvious.”

Problems Loom For Medicaid Expansion.



The [Investors Business Daily](#)   (9/12, Graham) reports that “the recent momentum behind” ObamaCare’s Medicaid expansion isn’t good news for the program. First, the General Accountability Office found the Arkansas private option waiver plan was ABOUT \$778 million too high, which “is a big deal” due to it being “the most likely model under which GOP-friendly states might eventually expand Medicaid.” Meanwhile, in January the Affordable Care Act’s boost to fees paid to Medicaid primary care doctors expires, “raising concern as to what kind of access poor and near-poor patients will receive.” Additionally, funding boosts for community health centers end in 2015 and the Children’s Health Insurance Program funding will “plunge from \$12.5 billion in fiscal 2015 to \$9.1 billion the next year and \$5.7 billion thereafter.”

Paper Offers Tepid Endorsement Of Healthy Utah.

In an editorial, the [Salt Lake \(UT\) Tribune](#)   (9/12) offers measured approval to Utah Gov. Gary Herbert’s Healthy Utah plan. The paper says it would be “utterly heartless” to not expand Medicaid coverage under the Affordable Care Act, which would also help the state’s economy. In a nod to the state politics’ “anti-Washington, particularly anti-Obama, posturing,” the plan is “laundering the money through the private sector health insurance companies whose sometimes inhumane practices made Obamacare necessary in the first place.” The paper pronounces the plan “smelly, but workable.”

Uninsured

Senate Panel To Hold Hearing On CHIP Funding.

[The Hill](#)   (9/12, Viebeck) reports that, on Tuesday, Senate Finance Subcommittee on Health Care chair West Virginia Sen. Jay Rockefeller (D) will lead the a Tuesday hearing on the Children’s Health Insurance Program’s (CHIP) track record. CHIP’s funding is set to expire next September, but a bill by Rockefeller would extend it through 2019. The bill also would offer “incentives for states to expand CHIP coverage and improve dental care for kids,” make permanent an option under which states can use other agency’s data “to expedite CHIP enrollment, and provides grant funding for outreach efforts to the uninsured.”

Thursday's Lead Stories

- [Survey: ACA Has Had Little Impact On Employee Premiums.](#)
- [IRS Commissioner Discusses ACA Enrollment.](#)
- [Leading Democrat In Virginia Legislature Submits Third Request For Rules Of Special Session On Medicaid.](#)
- [Healthcare Quality Seen As Improving Relative To Costs.](#)
- [Study Finds No Change In Children’s Uninsured Rate Following ACA.](#)

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