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Jeremy Rabinovitz, JRabinovitz@mlstrategies.com
Alexander Hecht, AHecht@mlstrategies.com
Joseph P. Hammang, PhD, JPHammang@mlstrategies.com
Abby Matousek, AMatousek@mlstrategies.com
Alyssa Franke, AFranke@mlstrategies.com

ML Strategies, LLC
701 Pennsylvania Avenue, N.W.
Washington, D.C. 20004 USA
202 434 7300
202 434 7400 fax
www.mlstrategies.com

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HEALTH CARE REFORM UPDATE September 3, 2013

Leading the News

Lawmakers Oppose Health Insurance Subsidies for Members of Congress and Staff

On August 27th, Senators Mike Enzi (R-WY) and David Vitter (R-LA) [announced](#) that they will introduce legislation to reverse a decision made by the Office of Personnel and Management (OPM) that the government can continue to make an employer contribution to health plans of congressional members and staff purchased through state exchanges. On August 28th, Representative Tom Cotton (R-AR) sent letters to [President Obama](#) and [OPM Acting Director Elaine Kaplan](#) to express his opposition to the OPM decision, saying the Affordable Care Act (ACA) does not provide OPM the authority to pay subsidies for Members of Congress and their staff and asked for the exemption to be withdrawn. The same day, Senator Dean Heller (R-NV) also sent a [letter](#) to Kaplan to criticize OPM's decision, stating that it created uncertainty as to whether or not Members of Congress and their staff must enter into the healthcare exchanges and asking OPM to clarify the issue.

House Republicans Probe Navigator Grant Recipients

On August 29th, Republicans on the House Energy and Commerce Committee sent a [letter](#) to organizations who received navigator funding. The letter, sent to about half of the 105 grant recipients, requests grantees provide additional documentation to the Committee regarding the work they intend to do, their employees and volunteers, how they would be paid, and how navigators will be trained and overseen. In a [letter](#) to Chairman Upton (R-MI), Ranking Member of the Committee Henry Waxman (D-CA) called the investigation an "abuse" of the Committee's oversight authority. A list of the groups who received the letter can be found [here](#).

Implementation of the Affordable Care Act

On August 26th, the IRS [released](#) a final rule addressing the shared responsibility payment for failing to maintain minimum essential coverage as mandated by the ACA. In this rule, it retained the 'one-day' policy, which states that an individual is compliant with the essential coverage requirement as long as they maintain that coverage for at least one day during the month.

On August 26th, the Federal Reserve Bank of San Francisco [released](#) a letter stating that the ACA is likely not the cause behind the increase in part-time work, as companies already faced incentives to create part-time jobs to avoid rising health benefit costs before the passage of the ACA.

On August 28th, Reuters [reported](#) that the Department of Health and Human Services (HHS) has notified insurance companies that it would not sign final agreements for plans to participate on the federal health exchanges until mid-September.

On August 28th, HHS [released](#) a final rule outlining standards regarding the operation of the state healthcare exchanges and the Small Business Health Options Program (SHOP).

On August 28th, Senator Rob Portman (R-OH) [sent](#) a letter to HHS Secretary Kathleen Sebelius and CMS Administrator Marilyn Tavenner asking the Administration to delay the ACA's enrollment period, stating that he was concerned that the infrastructure isn't in place to handle the expected traffic and that HHS lacks adequate staff to deal with the exchanges.

Other HHS and Federal Regulatory Initiatives

On August 22nd, the Food and Drug Administration (FDA) submitted paperwork to the Office of Management and Budget (OMB) in order to conduct a study about whether consumers believe that certain foods with artificially inserted nutrients are as healthy as more natural food.

On August 26th, the Centers for Disease Control (CDC) released the results of its 2012 School Health Policies and Practices Study, which found that more districts were requiring schools to teach physical education, increasing access to healthy food, and prohibiting the use of tobacco products at school-related events.

On August 27th, the Centers for Medicare and Medicaid Services (CMS) [released](#) a report stating that the use of antipsychotic drugs in nursing homes to treat dementia and other behavioral health needs has declined by 9.1% as a result of the National Partnership to Improve Dementia Care.

On August 29th, HHS [released](#) an announcement stating that same-sex spouses will now have equal access to care provided by Medicare Advantage in the skilled nursing facility in which their spouse resides.

Other Congressional and State Initiatives

On August 29th, the Chairmen of the Health Subcommittees of the House Energy and Commerce and Ways and Means Committees [released](#) a paper which examined Medicare reform. The paper focused specifically on creating a single combined annual deductible for Medicare Parts A and B and reforming cost-sharing in Medigap and other supplemental plans.

Other Health Care News

On August 28th, the Kaiser Family Foundation [released](#) the results of their August Health Tracking Poll, which found that 44% of Americans are unsure whether or not the ACA remains law, and 13% believed it had been overturned by the Supreme Court or repealed by Congress.

On August 28th, the UnitedHealth group released a working paper which found that healthcare spending on children aged 1 to 18 grew by almost 8 percent from 2010 to 2011. This is double the increase in healthcare spending for adults under the age of 45.

On August 29th, the RAND Corporation released the results of a study which found that, contrary to reports that the cost of individual policies may increase, there will be no widespread premium increase as a result of the ACA.

Hearings and Mark-Ups Scheduled

The Senate and the House of Representatives are in recess until the week of September 9th.