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HEALTH CARE REFORM UPDATE

October 7, 2013

Leading the News

Health Care Exchanges Go Live on October 1

On October 1, as the Congress failed to reach an agreement on a continuing resolution (CR) to fund the government, the health exchanges created by the Affordable Care Act (ACA) went live. Speaking the day before in an interview with NPR's Steve Inskeep, President Obama warned that during the first few months consumers can expect glitches with the health insurance exchanges. He noted that this is not without precedent and that glitches are inevitable given the large scale of the exchanges and high demand from consumers. In an interview on CNN, HHS Secretary Kathleen Sebelius [stated](#) that the technical issues with healthcare.gov were caused by overwhelming demand. However, other analysts have [noted](#) that the system itself may have design flaws.

Information about plans offered through the federal Health Insurance Marketplace was [posted](#) on healthcare.gov on October 1. Plans are listed by insurer, benefit tier (catastrophic, bronze, silver, gold, or platinum), state and county, and by potential plan recipients. On October 3, White House Press Secretary Jay Carney [stated](#) that 7 million people visited healthcare.gov during the two days after the opening of the health care exchanges; however, they do not yet know how many enrolled for coverage. HHS later updated these estimates, reporting that healthcare.gov had received 8.6 million visitors in its first week, with an additional 406,000 calls to their call centers and 225,000 requests for online chats. Over the weekend, the enrollment section of healthcare.gov was briefly taken offline for scheduled maintenance.

Implementation of the Affordable Care Act

On September 30, the Office of Personnel Management (OPM) [released](#) a final rule requiring members of Congress and their staff to obtain health insurance through Washington D.C.'s small business health insurance (SHOP) exchange in order to receive their subsidy.

On September 30, OPM [announced](#) that it entered into a contract with the Blue Cross and Blue Shield Association to offer more than 150 Multi-State Plan options. These plans will be offered in the Health Insurance Marketplaces of 30 states, the District of Columbia, and in 10 federally-facilitated marketplaces.

On October 1, Judicial Watch [filed a lawsuit](#) against the U.S. Department of Treasury and the IRS on behalf of Kawa Orthodontics challenging the Administration's decision to delay the employer mandate.

On October 2, the Center on Budget and Policy Priorities [released](#) a study which found that the ACA is not causing employers to shift a significant part of the workforce to part-time work.

Other HHS and Federal Regulatory Initiatives

On October 1, the Food and Drug Administration (FDA) [announced](#) that it will continue activities covered by user fees, including drug review and approval activities. However, the agency will be unable to accept any new regulatory submissions because it will not have the legal authority to accept user fees in FY 2014.

On October 1, due to the shutdown, the National Institutes of Health (NIH) was not [permitted](#) to admit any new patients, unless deemed medically necessary by the NIH Director. NIH will be forced to turn away approximately 200 people a week from joining new clinical trials, including on average 30 children.

On October 4, a U.S. District Court judge [ruled](#) in a case between Public Citizen and HHS, Pfizer, and Purdue Pharmaceuticals that Public Citizen could receive data on which agencies were investigating which firms, the status of those probes, and the titles and duties of employees removed from their usual work because they were charged with a crime or barred from certain work.

Other Congressional and State Initiatives

On October 3, the House Rules Committee [cleared](#) a bill to fund the FDA at 2013 spending levels. The House is expected to pass the legislation Monday but it is unlikely the Senate will take up the proposal.

On October 3, a group of Democrats from the New Democrat Coalition and at least 20 Republican Representatives circulated a letter to House Speaker John Boehner (R-OH) and House Minority Leader Nancy Pelosi (D-CA), proposing the repeal of the medical device tax in exchange for a six-month continuing resolution.

Other Health Care News

On October 1, President and CEO of the Association of American Medical Colleges Darrell Kirch [released a statement](#) expressing his concern that the government shutdown will stymie medical research and will limit the nation's ability to train the next generation of doctors at a time when the U.S. is about to face a critical shortage of doctors.

On October 1, the Kaiser Commission on Medicaid and the Uninsured [released](#) an updated fact sheet which found that in the 26 states that are not implementing the Medicaid expansion, significant coverage gaps will leave many poor, childless adults unable to access affordable health insurance.

Hearings and Mark-Ups Scheduled

Despite the government shutdown, several hearings are planned but schedules are likely subject to change.

Senate

On Monday, October 7, the Senate Homeland Security and Governmental Affairs Committee holds a [hearing](#) titled “Social Security Disability Benefits: Did a Group of Judges, Doctors, and Lawyers Abuse Programs for the Country's Most Vulnerable?”

On Tuesday, October 8, the Senate Finance Committee will hold a [hearing](#) titled “Transforming Medicare Post-Acute Care: Issues and Options.”

On Wednesday, October 9, the Senate Committee on Veterans’ Affairs will hold a [hearing](#) titled “VA Claims Transformation Efforts.”

House

On Wednesday, October 9, the Subcommittee on Health and Technology of the House Small Business Committee will hold a [hearing](#) titled “The Effects of the Health Law's Definitions of Full-Time Employee on Small Businesses.”

On Wednesday, October 9, the House Veterans’ Affairs Committee will hold a [hearing](#) titled “Effect of Government Shutdown on VA Benefits and Services to Veterans.”

On Thursday, October 10, the Subcommittee on Health of the House Veterans’ Affairs Committee will hold a [hearing](#) titled “Between Peril and Promise: Facing the Dangers of VA’s Skyrocketing Use of Prescription Painkillers to Treat Veterans.”

On Thursday, October 10, the Subcommittee on Health, Employment, Labor, and Pensions of the House Education and the Workforce Committee will hold a [hearing](#) titled “Strengthening the Multiemployer Pension System: How Will Proposed Reforms Affect Employers, Workers, and Retirees?”