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HEALTH CARE REFORM UPDATE

June 4, 2012

Implementation of the Affordable Care Act (ACA)

On May 21st the Government Accountability Office (GAO) issued a report finding that the small employer insurance tax credit in the ACA is not large enough to entice many employers to apply. The report can be found [here](#).

On May 23rd the Department of Health and Human Services (HHS) announced that it would be providing \$4.9 million to support family-to-family health information centers. The funding, provided by the ACA, will go to nonprofits "run by and for families with children with special health care needs." An HHS news release can be found [here](#).

On May 24th the Centers for Medicare and Medicaid Services (CMS) announced that, as of April 2012, seniors and people with disabilities in Medicare have saved a total of \$3.5 billion on prescription drugs through the ACA's closing of the prescription drug "donut hole." A CMS press release can be found [here](#).

On May 31st HHS announced the availability of funding to help older adults and people with disabilities access long-term services and supports and thrive in their communities. An HHS news release can be found [here](#).

On May 31st Center for Consumer Information and Insurance Oversight (CCIIO) issued a bulletin providing some details on how it will run the reinsurance program in states that do not choose to run it themselves. The bulletin focused primarily on HHS's proposed approach to collecting data from health plans. The bulletin can be found [here](#).

On June 1st HHS released a proposed rule on the data that health insurers must provide in order for HHS to set essential health benefit standards as well as providing details on how qualified health plans under the ACA will be accredited. The proposed rule can be found [here](#).

Other HHS and Federal Regulatory Initiatives

On May 21st the United States Preventive Services Task Force issued a recommendation against prostate-specific antigen testing in healthy men. The finding does not apply to using the test for surveillance after prostate cancer has been diagnosed. The recommendation statement can be found [here](#).

On May 22nd HHS Secretary Kathleen Sebelius and Mexico Secretary of Health Salomón Chertorivski announced a series of new steps to strengthen health security cooperation between the two countries. An HHS news release can be found [here](#).

On May 22nd the Patient Centered Outcomes Research Institute (PCORI) released a funding announcement. PCORI plans to award \$96 million in grants for research in four key areas: assessment of prevention, diagnosis and treatment options; improving health care systems; communication and dissemination; and addressing disparities. The announcement can be found [here](#).

On May 24th the Federal Communications Commission (FCC) adopted rules opening up a portion of the spectrum to Medical Body Area Networks, which allow sensors on a patient's body to wirelessly transmit patient data to a monitoring device. A press release can be found [here](#).

On May 30th CMS announced the Partnership to Improve Dementia Care, an initiative to ensure appropriate care and use of antipsychotic medications for nursing home patients. The announcement can be seen [here](#).

Other Congressional and State Initiatives

On May 22nd the Congressional Budget Office (CBO) released a report projecting that, if current fiscal policies stay in place — including the automatic spending cuts required by the sequester and the expiration of several tax cuts at the end of 2012 — the deficit would fall by \$560 billion in 2013. The report can be found [here](#).

On May 24th the Senate voted 96-1 to approve legislation reauthorizing existing and authorizing new user fee programs that help fund regulatory efforts at the FDA. The bill would extend the successful programs related to prescription drug and medical devices for 5 years as well as create new user fee programs for generic drugs and biosimilars. On May 30th the House passed its version of the legislation by a vote of 387-5. The two chambers are hoping to reconcile the two bills' differences and send a final package to the President by the July 4th holiday. Senate Majority Leader Harry Reid's (D-NV) statement on the bill delivered on the Senate floor can be found [here](#). A press release from the House Energy & Commerce Committee can be found [here](#).

On May 30th a committee of the Massachusetts House passed an amended version of legislation intended to control the growth of health care costs. The bill can be found [here](#).

On May 31st the House Ways & Means Committee approved a measure that would repeal the ACA's medical device tax and its restrictions on using health savings accounts to purchase over-the-counter medicines. A Committee press release can be found [here](#). The bill is expected to receive a full vote in the House of Representatives later this week.

Other Health Care News

On May 21st the Health Care Cost Institute released a study finding that from 2009 to 2010, increases in health spending for privately insured Americans were driven primarily by providers raising their prices, rather than by people getting more and costlier services. The study can be found [here](#).

On May 21st several Catholic institutions around the country, including the University of Notre Dame and the Archdiocese of Washington, filed lawsuits in federal courts challenging an Obama administration's rule requiring employer health plans to provide contraceptive coverage for employees. A press release from Notre Dame can be seen [here](#). The Complaint from the Notre Dame lawsuit can be viewed [here](#).

On May 22nd The Bay Area Council Economic Institute concluded that the health law is likely to have an overall positive impact on the California economy. It estimated that had the law been fully in effect in 2010, it would have generated nearly 100,000 jobs and added \$4.4 billion in gross state output. The report can be seen [here](#).

Hearings & Mark-ups Scheduled

Senate

There are no relevant hearings scheduled.

House of Representatives

On Thursday, June 7th the Oversight Committee will be holding a hearing entitled, "Assessing Medicare and Medicaid Program Integrity." More information can be found [here](#).

On Friday, June 8th the Energy & Commerce Subcommittee on Oversight will be holding a hearing entitled, "Medicare Contractors' Efforts to Fight Fraud – Moving Beyond 'Pay and Chase.'" More information can be found [here](#).

On Friday, June 8th the Energy & Commerce Subcommittee on Health will be holding a hearing entitled, "Examining the Appropriateness of Standards for Medical Imaging and Radiation Therapy Technologists." More information can be found [here](#).