



**Tom Koutsoumpas**, TKoutsoumpas@mlstrategies.com  
**Jeremy Rabinovitz**, JRabinovitz@mlstrategies.com  
**Alexander Hecht**, AHecht@mlstrategies.com  
**Gary Bacher**, GEBacher@mintz.com  
**Kevin M. Kappel**, KMKappel@mlstrategies.com  
**Robert C. Skinner**, RCSkinner@mlstrategies.com  
**Joshua Booth**, JBooth@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

## HEALTH CARE REFORM UPDATE

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### Implementation of the Affordable Care Act (ACA)

On March 5<sup>th</sup> the Department of Health and Human Services (HHS) released a report on the effects of the ACA provision prohibiting lifetime limits in health insurance coverage. The report finds that 105 million Americans have benefitted from the provision. An HHS news release can be found [here](#).

On March 7<sup>th</sup> HHS released an issue brief describing the effects on minority youth of the ACA provision allowing children to remain on their parents' plans until age 26. The brief finds that, of the 2.5 million young adults who benefitted from the provision, more than half (1.3 million) were minorities. An HHS news can be found [here](#).

On March 6<sup>th</sup> the House Energy & Commerce Committee passed the "Medicare Decisions Accountability Act", which would repeal the Independent Payment Advisory Board (IPAB) created by the ACA. On March 8<sup>th</sup> the House Ways & Means Committee also voted to pass the repeal. On March 7<sup>th</sup> the Congressional Budget Office (CBO) released a report finding that repealing IPAB would cost \$3.1 billion from 2013-2022. News releases from the two Committees can be found [here](#) and [here](#). The CBO estimate can be found [here](#).

### Other HHS and Federal Regulatory Initiatives

On March 7<sup>th</sup> the Centers for Medicare and Medicaid Services (CMS) released a redesigned Medicare Summary Notice, the summary of claims submitted and benefits paid that is sent to Medicare beneficiaries each quarter. Officials hope that the simplified form will allow beneficiaries to better understand what benefits they are receiving and to detect incorrect or fraudulent information. A CMS press release can be found [here](#).

On March 8<sup>th</sup> the Surgeon General released a report entitled "Preventing Tobacco Use Among Youth and Young Adults." While the number of teenagers who use tobacco has fallen since 1997, over the

past several years that decline has stalled. An HHS news release can be found [here](#). The report can be found [here](#).

On March 8<sup>th</sup> the Department of Labor announced that it would extend the deadline for comments on a new rule that would extend minimum wage protection to home health aides until March 21<sup>st</sup>. More information can be found [here](#).

#### Other Congressional and State Initiatives

On March 6<sup>th</sup> the Senate passed Counterfeit Drug Penalty Enhancement Act by a voice vote. The bill provides for increased penalties for trafficking counterfeited drugs. The House has not yet acted on the bill. A press release from bill co-sponsor Senator Michael Bennet (D-CO) can be found [here](#). The text of the bill can be found [here](#).

On March 7<sup>th</sup> members of the Republican Study Committee in the House of Representatives introduced the “State Health Flexibility Act,” which would repeal the ACA and give states “sole authority” in determining eligibility and benefits for Medicaid. A press release can be found [here](#). The text of the bill can be found [here](#).

On March 7<sup>th</sup> the CBO announced that it would be releasing its updated baseline projections of federal spending, revenues, and budget deficits for the 2012–2022 period on March 13. It will also be releasing its analysis of the President’s FY2013 budget proposal later in the week. A news release can be found [here](#).

On March 7<sup>th</sup> Representative Charles Boustany (R-LA), Chair of the Ways & Means Oversight Subcommittee, wrote to Secretary Sebelius and Attorney General Holder requesting information about the administration’s efforts to combat fraud and abuse in Medicare. A copy of the letter can be found [here](#).

On March 8<sup>th</sup> Senator Orrin Hatch (R-UT), ranking member of the Senate Finance Committee, and Representative Fred Upton (R-MI), chairman of the House Energy & Commerce Committee, sent a letter to HHS Secretary Kathleen Sebelius demanding an explanation for HHS’s failure to submit an annual report on Medicaid finances, enrollment, and spending. The report is required to be submitted by January 1<sup>st</sup> of each year. The letter can be found [here](#).

#### Other Health Care News

On March 3<sup>rd</sup> the International Federation of Health Plans released its annual Comparative Price Report. The survey compares the prices of medical services across nine countries. The report found that the United States pays the highest prices “for nearly all of the common services and procedures reviewed.” The report can be found [here](#).

On March 5<sup>th</sup> Health Affairs released a study finding that Hospital Compare, a Medicare initiative for publicly reporting hospital quality data, has little impact on patient mortality. The study can be found [here](#).

On March 5<sup>th</sup> the Society of General Internal Medicine announced that it was creating the National Commission on Physician Payment Reform, a new independent commission to examine physician payment models and the incentives they provide. A press release can be found [here](#). The new commission's website is [here](#).

On March 5<sup>th</sup> Health Affairs released a study finding that having access to a patient's electronic medical record did not decrease physicians' ordering of new tests, and access to computerized diagnostic imaging actually caused physicians to increase utilization. The study can be found [here](#).

On March 6<sup>th</sup> AARP released a report finding that the cost of widely used prescription drugs rose 26 percent between 2005 and 2009—nearly twice the rate of inflation. Although the price of generic drugs decreased during this period, this was more than offset by increases in the price of brand-name drugs. A press release can be found [here](#).

On March 7<sup>th</sup> Virginia Governor Bob McDonnell (R) signed a bill requiring women to have an ultrasound before receiving an abortion. Although a previous version of the bill would have required a transvaginal ultrasound, the bill signed requires a less invasive abdominal ultrasound. The text of the law can be found [here](#).

On March 7<sup>th</sup> the Union of Concerned Scientists (UCS) released the results of a survey of one thousand FDA scientists. The survey found that the scientists frequently feel that pressure from Congress and interest groups forces policies to be modified. Although UCS expressed concern, it also noted that the results show significant progress since the last survey in 2006. The results can be found [here](#). A press release can be found [here](#). An FDA response can be found [here](#).

On March 8<sup>th</sup> Moody's Investor Services released a report predicting increasing consolidation among not-for-profit hospitals. The authors opine that, unlike previous waves of consolidation, which were driven by the goal of increasing market share and bargaining power with payers, the current wave of consolidation is driven by a need to gain greater efficiencies and to eliminate waste from the system. A press release can be found [here](#).

On March 8<sup>th</sup> MedPAC unveiled draft language calling for a redesign of Medicare Parts A and B to cap enrollee out-of-pocket costs, combine deductibles for Parts A and B, and adjust co-payments depending on service and provider. More information on the MedPAC meeting and the proposal can be found [here](#).

On March 8<sup>th</sup> the Alzheimer's Association released its 2012 Alzheimer's Disease Facts and Figures. The report predicts that the cost of caring for individuals with Alzheimer's will total over \$200 billion in 2012 and grow to \$1.1 trillion by 2050. Government programs cover about 70 percent of this cost. The report can be found [here](#).

#### Hearings & Mark-ups Scheduled

*No relevant hearings scheduled.*