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HEALTH CARE REFORM UPDATE

June 11, 2012

Implementation of the Affordable Care Act (ACA)

On June 4th the Patient-Centered Outcomes Research Institute (PCORI) posted its preliminary draft methodology report to set groundwork for conducting comparative effectiveness research. The report can be found [here](#).

On June 5th the White House released a blog post highlighting the rebates that will be paid by several insurance companies to policyholders under the ACA's medical loss ratio (MLR) provisions, showcasing the payments as one of the health care reform law's successes. The blog post can be found [here](#).

On June 6th the Centers for Medicare and Medicaid Services (CMS) announced that 45 commercial, federal, and state insurers in seven markets have agreed to boost payments to primary care practices that offer high-quality and coordinated care. This is part of the Comprehensive Primary Care (CPC) initiative under the Center for Medicare and Medicaid Innovation created as part of the ACA. As part of the CPC initiative, CMS has committed to paying primary care practices a care management fee that averages \$20 per beneficiary per month. The announcement can be found [here](#).

On June 7th HHS announced a new round of funding for Consumer Assistance Programs funded by the ACA to support states in their efforts to assist consumers who have questions regarding obtaining health insurance. The HHS press release can be found [here](#).

On June 8th the Department of Health and Human Services (HHS) announced the awarding of two new loans under the ACA's CO-OP program. The loans will go to Compass Cooperative Health Network in Arizona and HealthyCT in Connecticut. A fact sheet listing all organizations that have been provided loans to date can be found [here](#).

On June 8th the Republican Staff of the House Energy & Commerce Committee released a memorandum reporting that, under an agreement with the White House, the pharmaceutical industry trade group, PhRMA, funded two 501(c)(4) groups that were launched to support health care reform. The memorandum can be found [here](#). Energy & Commerce Ranking Member Henry Waxman (D-CA) and Oversight Subcommittee Ranking Member Diana DeGette (D-CO) had earlier released a rebuttal to the GOP investigation with their own memo. That document, along with a statement from Ranking Member DeGette, can be found [here](#).

Other HHS and Federal Regulatory Initiatives

On June 5th CMS announced the creation of a new CMS office, the Office of Information Products and Data Analytics (OIPDA), to help manage the large amounts of health data handled by the agency. The CMS press release on the announcement can be found [here](#).

On June 8th HHS released a proposed rule ruling that the 2010 law extending health benefits to Sept. 11 workers who fell ill as a result of their efforts would now cover some types of cancer. The proposed rule can be found [here](#).

Other Congressional and State Initiatives

On June 5th the Congressional Budget Office (CBO) issued a report projecting that, under current law, spending on major federal health care programs alone would rise from almost 5 percent of GDP today to nearly 10 percent in 2037 — and would keep rising. “Altogether, the aging of the population and the rising cost of health care would cause spending on the major health care programs and Social Security to grow from more than 10 percent of GDP today to almost 16 percent of GDP twenty-five years from now.” Without “substantial increases in federal revenue” these spending trajectories “would result in greater debt burdens than the United States has ever experienced.” The report can be found [here](#).

On June 7th the House of Representatives voted 270-146 to pass legislation that would repeal the ACA’s excise tax on the sale of medical devices and also many of the ACA’s restrictions of the use of flexible spending accounts. The legislation partially pays for these measures by allowing the IRS to more fully recoup overpayments of the ACA’s premium tax credit. The bill is not expected to pass the Senate, and the White House has threatened to veto the measure. A CBO summary and cost-estimate of the measure can be found [here](#).

Other Health Care News

On June 5th the Bipartisan Policy Center released a new report on America’s “health and obesity crisis.” In the report are recommendations on actions that government can take to help encourage healthier eating and lifestyles. More information on the report can be found [here](#).

On June 6th a New York Times/CBS poll found that more than two-thirds of Americans want the Supreme Court to overturn part or all of the Affordable Care Act, while just 24 percent want the court to keep the entire health care law in place. According to the poll, 41 percent of respondents said the court should strike down the entire law, and 27 percent want the court to overturn just the individual mandate. The results can be found [here](#).

Hearings & Mark-ups Scheduled

Senate

On June 12th the Senate Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies will hold a markup on the FY2013 appropriations bill for agencies within its jurisdiction. More information can be found [here](#).

On June 13th the Senate Special Committee on Aging will be holding a hearing on advanced illness care. More information can be found [here](#).

On June 14th the Senate Finance Committee will be holding a hearing entitled, “Roundtable Discussion on Medicare Physician Payment Policy: Lessons from the Private Sector.” More information can be found [here](#).

On June 14th the Senate Homeland Security & Governmental Affairs Committee will be holding a hearing entitled “Saving Taxpayer Dollars by Curbing Waste and Fraud in Medicaid.” More information can be found [here](#).

House of Representatives

The House is in recess this week.