



**Jeremy Rabinovitz**, JRabinovitz@mlstrategies.com  
**Alexander Hecht**, AHecht@mlstrategies.com  
**Joseph P. Hammang, PhD**, JPHammang@mlstrategies.com  
**Abby Matousek**, AMatousek@mlstrategies.com  
**David Shirbroun**, DShirbroun@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

Follow us on Twitter @MLStrategies

## HEALTH CARE REFORM UPDATE July 1, 2013

### Leading the News

#### *SCOTUS Historic DOMA Ruling Health Insurance Implications*

On June 26<sup>th</sup>, Supreme Court Justice Anthony Kennedy wrote in his [majority opinion](#) addressing the Defense of Marriage Act (DOMA) that the legislation inappropriately raises insurance costs for same-sex couples. The court struck down DOMA by a 5-4 vote. Just two days later, the U.S. Office of Personnel Management [indicated](#) it will allow same-sex spouses of federal employees to begin applying for health insurance benefits.

#### *CMS Releases Final Minimum Essential Coverage Rule*

On June 26<sup>th</sup>, the Department of Health and Human Services (HHS) issued a [final rule](#) on exemption eligibility and miscellaneous minimum essential coverage provisions within the ACA exchanges. The rule notes that individuals who live in states where Medicaid coverage is not expanded will not need to pay a penalty if they fail to obtain insurance coverage.

### Implementation of the Affordable Care Act

On June 25<sup>th</sup>, the Brookings Institution hosted a [briefing](#) on insurance marketplaces in the ACA. Center for Consumer Information and Insurance Oversight (CCIIO) Director Gary Cohen said the wide range of proposed insurance rates on the exchanges is not surprising and indicated federal exchange rates will be available in September.

On June 27<sup>th</sup>, Gallup released a [poll](#) indicating 47% of Americans think the ACA will make the U.S. health care situation worse, while 34% responded the law will improve health care.

On June 27<sup>th</sup>, 28 Senate Republicans sent a [letter](#) to HHS Secretary Sebelius asking her to immediately cease raising funds for the Enroll America program that is designed to help people understand the ACA insurance exchanges.

On June 28<sup>th</sup>, HHS released a [final rule](#) on the requirement of employers to provide birth control drugs and contraceptives through insurance plans under the ACA.

On June 28<sup>th</sup>, House Ways and Means Committee Republicans sent a [letter](#) HHS Secretary Sebelius with concerns that the ACA data hub will not be operational by October 1<sup>st</sup>.

On June 28<sup>th</sup>, Rep. Todd Young (R-IN) [introduced a bill](#) to repeal the 30-hour definition of full-time employment (FTE) established under the ACA, setting 40 hours as the standard for FTE.

On June 28<sup>th</sup>, Gallup released a [poll](#) indicating that 43% of uninsured Americans are aware of the ACA's individual mandate.

On June 28<sup>th</sup>, the four Republicans on the House Energy and Commerce Committee sent a [letter](#) to HHS Secretary Sebelius with questions on Essential Community Providers (ECP) established by the ACA.

### **Other HHS and Federal Regulatory Initiatives**

On June 24<sup>th</sup>, the HHS Office of the Inspector General (OIG) [reported](#) on over \$26 million in improper payments to individuals who lack prescribing authority, such as massage therapists, athletic trainers, interpreters, and transportation contractors.

On June 24<sup>th</sup>, the Supreme Court [agreed to hear](#) a case involving the 35-foot protest buffer zone outside abortion clinics in Massachusetts.

On June 25<sup>th</sup>, the Organ Procurement and Transplantation Network (OPTN) [approved changes](#) to a policy regarding deceased donor kidney allocation that the organization says will improve outcomes for transplant recipients.

On June 25<sup>th</sup>, the Food and Drug Administration (FDA) [said](#) it will begin to regulate tobacco products and determine if a product is ineligible to be sold based on extreme health risks.

On June 27<sup>th</sup>, the U.S. Department of Agriculture (USDA) issued an [interim final rule](#) to establish stricter guidelines for food and drink items sold within American schools.

On June 27<sup>th</sup>, the Centers for Medicare and Medicaid Services (CMS) [announced](#) a new funding opportunity for states to develop independent ombudsman programs that are meant to improve care coordination for Medicare-Medicaid dual eligible beneficiaries.

On June 28<sup>th</sup>, CMS issued a [proposed rule](#) that would cut 2014 home health payments by 1.5% from 2013 levels.

On June 30<sup>th</sup>, the Pennsylvania state Senate [approved](#) Medicaid expansion by a 40-10 vote. Expansion is expected to meet intense opposition in the state House.

### **Other Congressional and State Initiatives**

On June 24<sup>th</sup>, Senate and House Democrats [wrote](#) to FDA Commissioner Margaret Hamburg to urge the agency to allow manufacturers of generic drugs to update patient safety labels in appropriate circumstances.

On June 26<sup>th</sup>, Representatives Ami Bera (D-CA) and Mark Meadows (R-NC) introduced [legislation](#) that would allow international doctors to remain in the United States past their visa expiration if they agree to practice in underserved areas currently in need of more doctors.

On June 26<sup>th</sup>, Representatives Greg Walden (R-OR) and Allyson Schwartz (D-PA) introduced a [bill](#) to allow physician assistants, nurse practitioners, and other caregivers to order home care for Medicare beneficiaries.

On June 26<sup>th</sup>, the Congressional Budget Office (CBO) released a [report](#) on the rising demand for long-term services and supports (LTSS) as the number of elderly people continues to rise.

On June 28<sup>th</sup>, the House Energy and Commerce Committee majority released [draft legislation](#) on reform of the Sustainable Growth Rate (SGR) Medicare physician payment system.

### **Other Health Care News**

On June 25<sup>th</sup>, the National Institutes of Health (NIH) released a [survey](#) of American youth that indicates many young people in the country struggle to eat nutritiously and exercise regularly.

On June 25<sup>th</sup>, the American Public Health Association (APHA) issued a [release](#) indicating support for President Obama's plans to address climate change and protect public health.

On June 26<sup>th</sup>, the New England Journal of Medicine published an [article](#) by the Bipartisan Policy Center (BPC) that explores ways to contain health care costs.

On June 27<sup>th</sup>, American Health Insurance Plans (AHIP) released an [infographic](#) on the growing enrollment in Health Savings Account (HSA)-eligible health plans.

On June 27<sup>th</sup>, CVS Caremark released a [report](#) that suggests the U.S. health care system could save hundreds of millions of dollars if people took their prescription medications as directed.

### **Hearings and Mark-Ups Scheduled**

*The Senate and House of Representatives are scheduled to be in recess until the week of July 8<sup>th</sup>.*