

NAHU Newswire

Prepared exclusively for
members of



Today's News for the National Association of Health Underwriters from Newspapers, TV, Radio and Journals

Customized Briefing

February 22, 2012



[From NAHU](#)
[Leading the News](#)
[Legislation and Policy](#)



[Public Health and Private Healthcare Systems](#)
[Uninsured](#)







[Also in the News](#)



Leading the News





Federal Grant Will Create Consumer-Driven Health Insurance Plans In 2014.



[McClatchy](#)   (2/22, Meyer) reports, "Seven organizations will receive a total of \$639 million in federal low-interest loans to launch new, consumer-governed health insurance plans in eight states, the federal government announced Tuesday. The new plans, authorized by the 2010 health care law, are scheduled to open for business in 2014." The plans "primarily will serve Americans under age 65 in the individual and small-group insurance markets."



The [AP](#)   (2/22) says the plans "will be designed to offer coverage to individuals and small businesses. Supporters say the co-ops will keep pressure on private insurance companies for both price and coverage. Critics, led by House Republicans who voted last year to repeal the health care law, immediately questioned the administration's decision. The House Ways and Means Committee called the loans a political reward to a friendly constituency."





[The Hill](#)   (2/22, Pecquet) "Healthwatch" blog quotes the CMS' Marilyn Tavenner, who said, "We are excited to support the health insurance CO-Ops," which "will promote competition in the insurance market and respond well to the health care needs of Americans." [Kaiser Health News](#)   (2/22, Meyer) and [Modern Healthcare](#)   (2/22, Subscription Publication) also report on the loans.

[Bloomberg News](#)   (2/22, Wayne) reports that "the Freelancers Union, a nonprofit created to represent freelance workers and independent contractors, will receive \$341 million in loans from the US government to start health insurance plans in three states." Bloomberg adds that the health plans "will compete with for-profit offerings from companies including UnitedHealth Group Inc. and WellPoint Inc. and nonprofit Blue Cross plans beginning in 2014."

The [Billings \(MT\) Gazette](#)   (2/22, Dennison) reports, "The fledgling Montana Health Cooperative on Tuesday became one of the first co-ops in the nation to win a federal loan, which will provide \$58 million toward setting up the new, member-owned health insurer for Montana individuals and businesses. ... The US Health and Human Services Department gave the Montana co-op a \$6.7 million start-up loan to pay for administrative costs of setting up the co-op and another \$51 million loan to pay operating costs, such as claims payment." On its website, [KRTV-TV](#)   Great Falls, MT (2/22) also reports on Montana's loan.

[KCCI-TV](#)   Des Moines, IA (2/22) reports on its website, "The federal government has approved the first health care co-op for Iowa that will be set up as part of the new healthcare reform law. Midwest Members Health will offer affordable health insurance options to Iowans who have no access to health insurance through their employer."

[New Mexico Business Weekly](#)   (2/22, Domrzalski, Subscription Publication) that New Mexico Health Connections "has received a \$6 million loan from the federal government to start a consumer-oriented health plan from scratch that will cater to individuals and small employers."

[The Oregonian](#)   (2/22, Rojas-Burke) reports, "Oregon's first consumer-operated health plan will receive more than \$59 million in start-up and solvency loans from the federal government." The [Eugene \(OR\) Register-Guard](#)   (2/22, McDonald) also reports on Oregon's loan.

The [Omaha World-Herald](#)   (2/22, Jordon) reports, "Midwest Members Health, a new health insurance cooperative for Iowa and Nebraska, will receive a \$112 million federal loan to pay startup costs and provide initial financial backing under the federal Patient Protection and Affordable Care Act." The coop is being organized by "David Lyons, former Iowa insurance commissioner and CEO of the Iowa Institute in Des Moines; Cliff Gold, a former senior executive with Blue Cross Blue Shield in Iowa and CEO of Cliff's Edge Strategies; and Stephen Ringlee of Ames, Iowa, a venture capitalist."



From NAHU

Beginning in 2012, the Patient Protection and Affordable Care Act requires employers to report the cost of employer-provided healthcare on all Form W-2s issued after January 1, 2013. NAHU's benefits attorney, Heather Meade, from Washington Council Ernst & Young, provided a refresher on what types of coverage should be included in the reporting, valuation, transition relief for small employers, and an update on the recently issued IRS interim guidance Notice 2012-9. The update is of particular interest given some of the new guidance relating to HSAs, HRAs, FSAs, and Section 125 salary reductions.



[Click here](#) to view the recording and PowerPoint presentation.

Legislation and Policy



Supreme Court To Allow 30 More Minutes For Healthcare Reform Arguments.



[The Hill](#)   (2/22, Baker) reports in its "Healthwatch" blog, "The Supreme Court on Tuesday added even more time for oral arguments in the landmark case over President Obama's healthcare reform law." An extra 30 minutes was added, bringing the case to six hours. Notably, "It was already set to be the longest argument in the court's modern history."

Forces Align Against Express Scripts-Medco Merger.



The [St. Louis Post-Dispatch](#)   (2/21, Doyle) reported, "When health care giants Express Scripts and Medco Health Solutions announced their plans last July for a mega-merger, they pitched the \$29 billion deal as a boon to consumers." Were the two companies to merge, together they would control "about a third of the nation's prescriptions." However, "in recent months, major forces have aligned themselves against the deal, raising antitrust concerns. Approval by the Federal Trade Commission, expected to decide soon, now appears less certain." Among those opposed to "the merger are large supermarket chains, drug stores, community pharmacists, consumer advocates, antitrust experts, columnists, and well-placed politicians. Attorneys general from two dozen states have also raised questions about the merger's effect on consumers."

CHIME Calls On HHS To Set Compliance Date For ICD-10.

In continuing coverage, [CQ](#)   (2/22, Reichard, Subscription Publication) reports, "A group that advocates the use of health information technology urged federal officials Friday to keep the current deadline for medical providers to convert to a complex new system for coding medical bills."



[Healthcare IT News](#)   (2/22, Manos) reports, "The College of Healthcare Information Management Executives (CHIME) has called on the Department of Health and Human Services to 'quickly and decisively' set a compliance date for ICD-10." In fact, in a letter sent yesterday "to HHS Secretary Kathleen Sebelius, CHIME strongly urged Sebelius to forego a prolonged uncertainty about the timing and details of a new ICD-10 compliance date, which would move the deadline for compliance past the current Oct. 1, 2013 date." Healthcare IT News adds, "CHIME encouraged HHS to remain committed to ICD-10 because many healthcare provider organizations have made, or are planning for, substantial investments in technology, training and education."

Prolonged Fight Expected Over Pay Protections For In-Home Health Workers.



The [CQ](#)   (2/21, Norman, Subscription Publication) reports that a battle over proposed minimum wage and overtime pay protections for in-home health care workers may continue a while longer. According to the article, the debate over a proposed Labor Department rule

puts staffing agencies at odds with their employees. CQ notes that Labor "is expected to extend the time for the public to comment on a proposed rule that would eliminate a so-called 'companionship' exemption from pay standards for in-home workers employed by agencies."



Survey: Meeting Federally Mandated HIT Benchmark Top Priority For Hospitals.

[MedPage Today](#)   (2/22, Walker) reports, "Meeting federally mandated health information technology (IT) benchmarks will be a top priority for hospital IT departments over the next two years," according to "a survey of 302 hospital IT executives presented...at the Healthcare Information and Management Systems Society (HIMSS) conference" in Las Vega, NV. "That means meeting 'meaningful use' standards and transitioning to the new ICD-10 medical coding system," the survey found. "One-third of respondents to the survey said achieving meaningful use was the single most important IT priority to be addressed at their hospital."

HRSA, Labor Department Join In Health IT Initiative.



[Modern Healthcare](#)   (2/22, Zigmond, Subscription Publication) reports on an agreement between Health Resources and Services Administration (HRSA) and the Labor Department regarding the use of "existing resources at community colleges and technical colleges to support the training of health information technology professionals at rural hospitals and clinics." The piece notes that HRSA and the Labor Department "will use their respective resources to promote a health IT workforce that is available in sufficient numbers and skills to support rural health IT needs, and that is also actively employed supporting those rural health IT needs."

Iowa State Senator Touts Proposed Iowa Health Insurance Reform Program.



In the [Des Moines Register](#)   (2/22), Iowa state senator Jack Hatch writes about the introduction of a proposed Iowa Health Insurance Affordability Reform (Iowa HIAR) program, "modeled after Rhode Island's successful reform, which is considered one of the most innovative methods developed to tackle the high costs of health care insurance." He notes, "The proposed bureau and the advisory council will develop four affordability standards: increase primary care spending by five percentage points, promote the expansion of the Chronic Care Medical Home, implement electronic health records and revamp hospital contracting and payment."



Public Health and Private Healthcare Systems

Mayhew Welcomes Sebelius' Offer To Help Maine With Medicaid Reform.

[Maine Public Broadcasting Network](#)   (2/22) reports, "Maine Human Services Commissioner Mary Mayhew says she welcomes US Health and Human Services Secretary Kathleen Sibelius's offer to send a team of experts to the state to help reform Maine's Medicaid system." Mayhew remarked, "We do need that ongoing assistance from the federal department. We are intent on developing a proposal and are appreciative of the offer to work with us in the development of that proposal."

New Mexico Proposes Medicaid Program Overhaul.

The [AP](#)   (2/22, Massey) reports that New Mexico "Gov. Susana Martinez's administration is proposing to overhaul a program that provides health care to a fourth of the state's population, and the changes could require some needy New Mexicans to dig into their pockets to pay a fee if they go to an emergency room for medical care that's not considered an emergency." Noting that slowing Medicaid's growth rate is one of the goals, Human Services Secretary Sidonie Squier remarked, "We think it's a broken system. We think we need to change it now," although "she emphasized that there will be no cuts in enrollment or changes in who's eligible to receive medical services, and there will be no reduction in rates paid to health care providers."

The [New Mexico Business Weekly](#)   (2/22, Domrzalski, Subscription Publication) reports a new Medicaid reform plan for New Mexico would shrink the number of health insurers participating in the state program from seven to possibly three or four. The story notes that according to Squier, "reducing the number of Medicaid insurers would help cut Medicaid costs by reducing paperwork and the time needed for the Human Services Department and hospitals to administer seven different contracts."



NYTimes: Removing Fee-For-Service Billing Would Help Reduce Healthcare Costs.

An editorial in the [New York Times](#)   (2/22, Subscription Publication) says that last week's budget dealings included "another

temporary fix for a flawed formula used to calculate the fees paid to doctors by Medicare." The Times argues that "Congress should establish a fee schedule that pays doctors more if they leave fee-for-service and form organizations that will coordinate care or take on the financial risk of managing a patient's care for a year at a fixed fee. That will take away the incentive to perform numerous costly, unneeded services." Additionally, according to the Times, "it would be the start of a real fix for the rising cost of Medicare."



Uninsured

Healthcare Costs For Poor Drain Georgia State Budget.

The [Augusta \(GA\) Chronicle](#)   (2/22, Jones) reports that Georgia's government is experiencing a considerable money drain because of healthcare costs for the poor, and especially for the old and disabled. The Chronicle notes that "the program is gobbling up more and more of the state budget, crowding out other state services." Although "The elderly only make up 8 percent of the population covered by Medicaid," they "generate 20 percent of the cost." The article adds that the Georgia Hospital Association "agrees a redesign is called for."

Also in the News

Healthcare Industry Increasingly Using Social Media.

The [Dayton \(OH\) Daily News](#)   (2/22, Mosier) reports, "As it seems to be doing in every other facet of life, social media is invading the health care industry." However, experts note that "health care is probably a little slower to react to the movements of social media, because there are so many patient privacy issues that you have to respect." For instance, Miami Valley Hospital uses Facebook "to reach out to patients and families for sharing events," while "Premier Health Partners provides electronic newsletters to patients."

Tuesday's Lead Stories

- [Lawmakers Seizing On Contraception In Healthcare Reform Fight.](#)
- [High Court Could Prolong Healthcare Challenges For Years.](#)
- [Illinois Governor Quinn Proposes \\$2.7 Billion In Medicare Cuts.](#)
- [More Hospitals Implementing Pay-First Policies For Non-Urgent ED Patients.](#)

Subscriber Tools

- [Unsubscribe](#)
- [Change Email Address](#)
- [Send Feedback](#)
- [Email Help](#)
- [Archives](#)

Advertise with Bulletin Healthcare: [Reach key professionals every morning](#) ▶

NAHU Newswire is a digest of the most important news selected from thousands of sources by the editors of Bulletin Healthcare. The National Association of Health Underwriters does not receive any revenue from the advertising herein. The presence of such advertising does not endorse, or imply endorsement of, any products or services by the National Association of Health Underwriters.

Neither Bulletin Healthcare nor the National Association of Health Underwriters is liable for the use of or reliance on any information contained in this briefing.

For information about other member benefits, please contact NAHU Member Service Center at 202-552-5060 or membership@nahu.org.

[National Association of Health Underwriters](#) | 1212 New York Ave NW Suite 1100 | Washington, DC 20005

Copyright © 2012 by [Bulletin Healthcare](#) | 11190 Sunrise Valley Drive, Suite 130 | Reston, VA 20191