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# HEALTH CARE REFORM UPDATE October 15, 2012

## Implementation of the Affordable Care Act

On October 9<sup>th</sup> East Texas Baptist University and Houston Baptist University filed a complaint with the U.S. District Court for the Southern District of Texas. The lawsuit is one in a series against the Obama administration over the Contraceptive Mandate of the ACA. The complaint is available here.

On October 9<sup>th</sup> two Illinois business owners filed a federal lawsuit to challenge the Contraceptive Mandate of the ACA. Cyril and Jane Korte, who filed the lawsuit, said forcing them to provide contraceptive coverage for the 20 employees not covered by a union plan would violate their right and religious beliefs. The full article can be read here.

On October 11<sup>th</sup> Health and Human Services (HHS) Secretary Kathleen Sebelius announced \$229.4 million of money from the ACA was invested in the National Health Service Corps in 2012 to help support more doctors and nurses and provide increased access to primary health care. The investments include loan repayment and grants to states to support these loan repayment programs. The press release from HHS can be found here.

#### Other HHS and Federal Regulatory Initiatives

On October 9<sup>th</sup> the Obama administration requested that the entire D.C. Circuit Court of Appeals review the case involving graphic imaging on cigarette packaging. The three judges who initially ruled on the case said certain labels violated the First Amendment rights of tobacco companies and that graphics were not proven to directly lower smoking rates. An article on the issue is available here.

On October 10<sup>th</sup> the HHS Office of the Inspector General (OIG) reported to CMS that, while individuals whose medical identities were stolen between 2009 and 2011 were effectively notified, CMS must take additional steps to prevent financial losses to the Medicare program. An article on OIG's report is available here. The full report can be read here.

On October 10<sup>th</sup> the U.S. Government Accountability Office (GAO) reported that 10,187 individuals and organizations were investigated for health care fraud in programs like Medicare, Medicaid, and CHIP in 2010. A total of 360 individuals were ordered to pay \$829 million in settlement costs, with pharmaceutical manufacturers forced to pay about 60%, or \$509 million, of those costs. The report from GAO is available here.

On October 11<sup>th</sup> the Presidential Commission for the Study of Bioethical Issues released a report stating that as genome testing becomes more prominent, the privacy of an individual must be protected. The press release from the Commission is available here. The full report can be read here.

On October 12<sup>th</sup> the Centers for Medicare and Medicaid Services (CMS) released performance data and ratings for Medicare parts C and D. The performance data can be viewed here. That same day, CMS announced that more high quality choices are available for Medicare beneficiaries and indicated the Medicare Advantage program is improving. In 2013, people with Medicare will have a choice of 127 four- or five-star Medicare Advantage plans. The release from CMS can be found here.

On October 12<sup>th</sup> the Office of the National Coordinator for Health IT (ONC) announced the two winners of the "Blue Button Mash Up Challenge" designed to make personal health information more usable and meaningful for the individual consumer or patient and the "EHR Accessibility Module Challenge" designed to test a module or application that makes it easy for people with disabilities to access and interact with the health data stored in their EHRs. The HHS press release can be found here.

## Other Congressional and State Initiatives

On October 9<sup>th</sup> Representative Rosa DeLauro (D-CT) announced that she intends to introduce legislation that will create better FDA oversight on compounding pharmacies. A compounding pharmacy in New England is responsible for a meningitis scare that has spread across the country. A letter from Representative DeLauro to HHS Secretary Sebelius is available here.

On October 11<sup>th</sup> Republicans and Democrats on the House Energy and Commerce Committee sent a letter to the director of the New England Compounding Center (NECC) requesting that he brief the committee and retain all documents and relevant communications on the production of a drug believed to be responsible for a meningitis outbreak in the United States. The letter from the committee is available here. The committee also sent a letter to the Massachusetts Board of Registration in Pharmacy asking if any measures were taken after the FDA found issues at the NECC more than six years ago. The letter to the Board is available here.

### Other Health Care News

A recent survey by Merritt Hawkins noted that the equivalent of up to 44,000 doctors could be lost over the next four years since many doctors are selling out their practice to larger organizations and hospitals. Many doctors face monetary difficulties trying to upgrade to new, mandated technology. The survey preview from Merritt Hawkins can be viewed here.

On October 4<sup>th</sup> the Bipartisan Policy Center released two reports on the positive potential of electronic health records (EHR). The two reports contradict a letter encouraging the suspension of EHR incentive payments sent by four Republican lawmakers to HHS Secretary Kathleen Sebelius. The reports suggest that EHRs could have a positive impact on quality of care. The clinician perspective report is available here. The report on EHR impact on quality and cost is available here.

On October 8<sup>th</sup> the Urban Institute released a new report on the impact of the Affordable Care Act (ACA) on small businesses. The report found that businesses with more than 100 workers will spend about the same to insure each employee. Those businesses with 50 or fewer employees, while exempt from any penalties for not insuring workers, would pay about 7% less per employee under the ACA. The full report can be found here.

On October 8<sup>th</sup> the Pharmaceutical Care Management Association (PCMA) sent a letter to Majority Leader Harry Reid (D-NV) and Speaker John Boehner (R-OH) to offer solutions to save the federal government more than \$100 billion over ten years. Suggestions from the PCMA include modernizing Medicaid pharmacy and maximizing generic and therapeutic substitution in Part D. The letter from PCMA can be seen here.

On October 9<sup>th</sup> the American Action Forum (AAF) released a study finding that the ACA has already cost \$27.6 billion in new regulations. The study notes costs for each state and finds that five states will pay more than \$1 billion in increased costs. The full study can be read here.

On October 9<sup>th</sup> the *Journal of General Internal Medicine* released a study finding that electronic health records (EHR) can lead to higher quality care when dealing with conditions like breast cancer, chlamydia, and colorectal cancer. The study, one of the first to find benefits with EHR, is available here.

On October 9<sup>th</sup> the Center for Reproductive Rights launched a petition campaign to collect signatures for a "Bill of Reproductive Rights." The campaign supports safe access to women's health care needs including contraception and abortion. The campaign page can be seen here.

On October 10<sup>th</sup> the *New England Journal of Medicine* released a report that analyzes the importance of health care in the 2012 presidential election. One in five voters cite health care as their top issue. The full report is available here.

On October 10<sup>th</sup> the Alliance Defending Freedom asked the Supreme Court to review a ruling allowing for federal funding of embryonic stem cell research. The Alliance argues that Americans should not be forced to pay for experiments that destroy human life. The release from the Alliance is available here.

On October 11<sup>th</sup> the Altarum Institue released data finding that health care spending growth in the United States was below 4% in August. The institute noted that this was despite a 2.4% growth in health care prices. Additional findings from Altarum are available here.

On October 12<sup>th</sup> a poll released by the Pew Research Center indicated that the American public is split on whether wealthy seniors should receive fewer Medicare benefits. According to the poll, 49% of people say Medicare benefits should be reduced for higher income seniors, while 47% of people disapprove of this approach. The poll results are available here.

On October 12<sup>th</sup> an article in Reuters indicated that free contraceptives provided to women in St. Louis dramatically decreased rates of teen pregnancy and repeat abortions. Additional details are available in the Reuters article found here. The full report can be read here.

## Hearings and Mark-Ups Scheduled

Both the Senate and the House of Representatives are in recess.