



Customized Briefing for Kimberly Barry-Curley

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Leading the News

Republicans ask Obama to "start over" on health reform.

White House adviser David Axelrod, in an appearance on ABC's [This Week](#) on Sunday, said the White House planned to continue its effort to pass a major healthcare bill. The [Los Angeles Times](#) (1/25, Puzanghera) reports that Axelrod "vowed to move ahead with comprehensive healthcare legislation," saying, "The President will not walk away from the American people, will not hand them over to the tender mercies of health insurance companies who take advantage of them." The Times adds Axelrod's "comments came as Senate Minority Leader Mitch McConnell (R-KY) called on the White House to scrap the legislation and 'start over.'" The [Wall Street Journal](#) (1/25, Adamy, subscription required) reports the White House, in a bid to rescue healthcare legislation, is focused on several of the more popular provisions of the bills in the House and Senate. As examples, the Journal cites measures that would extend the long-term financial health of Medicare, cut seniors' prescription drug costs, and limit out-of-pocket costs to consumers.

Axelrod's comments come as Sen. John McCain (R-AZ), on CBS' "[Face the Nation](#)," suggested that the White House should instead open negotiations with Republicans to revive the legislation. The [New York Times](#) (1/25, Berger) reports McCain "advised his victorious 2008 adversary on Sunday that the way to get meaningful changes passed is to 'start from the beginning' by meeting with Republicans." McCain said President Obama "should sit down with Republican leaders and begin adopting some of their ideas for improving the nation's healthcare system such as overhauling medical malpractice lawsuits, allowing residents of one state to buy health insurance from a company in another state, and granting tax credits for people who purchase health insurance on their own."

[Politico](#) (1/25, O'Connor, Brown) notes that House and Senate leaders "spent the weekend mulling over their decidedly narrow options to get reform back on track, as Obama's advisers took to the airwaves Sunday, vowing to push ahead -- but offering few specifics on what they realistically think they can achieve." Politico examines four issues that could determine whether or not a major healthcare bill passes Congress, including whether Democrats would use reconciliation to pass a measure in the Senate, whether a version of the Senate bill would pass the House, whether House Democrats have lost any of the 218 votes needed, and how much of a commitment President Obama will make to passing the bill.

[The Hill](#) (1/25, Young, subscription required) says that the "tough spot in which Democrats find themselves is the result of a dozens of decisions made over the past year." The Hill lists ten issues that contributed to the Democrats' current dilemma, such as President Obama's decision "to let Congress hash out the details of healthcare," an inability to "keep to their self-imposed deadlines," and a failure to unite "behind a single message to the public."

Hatch pushes for starting health overhaul debate over. The [Salt Lake Tribune](#) (1/25, Burr) reports that on Sunday, Sen. Orrin Hatch (R-UT) said "that Congress needs to hit the reset button on healthcare reform and that Republicans will work with their counterparts on new legislation -- if Democrats allow it." Sen. Hatch said, "I don't know one Republican who does not want healthcare

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The advertisement features the CAN logo (Corporate Angel Network) with an arrow pointing right. Below the logo is the text 'CORPORATE ANGEL NETWORK'. The main text reads: 'Donate an empty seat on your corporate aircraft to give a cancer patient a lift to life-saving cancer treatment at no cost or inconvenience to you.' The phone number '(914) 328.1313' is displayed in yellow at the bottom right. The background is a dark blue image of a person in a white lab coat.

reform. ... I don't know one Republican who wouldn't try to work together with the Democrats. We weren't even involved in this process. We weren't even asked."

From NAHU

We know many of you have been extremely active with legislative issues and we want to thank you for your hard work and assure you it is making a difference. We are seeing some inroads on the legislative front and continue to work diligently with Congress to keep things on the right track.

The next few months will be the most intensive of times for our association's government affairs efforts. We have every reason to believe that health system reform legislation will move forward, and we need to preserve the role of agents and brokers and ensure continuance of the private market. It is for these reasons that we have decided to reinstate our Grass Roots Initiative Program. GRIP is a voluntary donation program created some years ago for our legislative expenses at the national level. We are now soliciting both individual and chapter contributions to GRIP, and would greatly appreciate any additional help as there is still much to be done on the legislative and regulatory front. **Please click [here](#) to make a donation to GRIP today.**

Legislation and Policy

Mandate-less reform bill may be worse than bill with weak penalty, insurers say.

The [Hartford \(CT\) Courant](#) (1/23, Sturdevant) noted that insurers "have often said that without a strong mandate" in the health reform bill, "people signing up for coverage would tend to be sicker, which will drive up premium" costs. However, talk of a bill "that has no mandate whatsoever...has some industry leaders all the more concerned. 'You'd have people signing up while they're riding in the back of an ambulance to the hospital,'" said ConnectiCare CEO Mickey Herbert. Aetna spokesperson Mohit Ghose pointed out that some states, such as New Jersey and New York, already require insurers to "provide coverage to anyone," and they are "among the 10 most-expensive states for individual health premiums." Meanwhile, both insurers and "their critics agree" that Americans' "unhealthy lifestyles" and the fee-for-service "reimbursement system" are causing costs to skyrocket.

Insurance industry increased spending on lobbying in 2009.

[The Hill](#) (1/25, Bogardus, subscription required) reports, "America's largest insurance companies spent millions more on lobbying last year as lawmakers debated healthcare reform, lobbying disclosure records show." In all, "the companies increased lobbying spending by an average of 24 percent from 2008 to 2009, according to an analysis by The Hill of disclosure reports released this week. The list includes insurance giants such as Aetna and Wellpoint, along with the industry's major trade association, America's Health Insurance Plans (AHIP)." Notably, Humana "showed the biggest increase in its lobbying spending among the insurers," with "\$3.2 million on lobbying in 2009." Wellpoint spent \$4.7 million, while UnitedHealth Group spent \$4.5 million, and AHIP "about \$8.9 million."

Obama said not to need Congress to begin making reforms.

In his [Washington Post](#) (1/24) column, David Ignatius writes, "Obama should use his authority as president to start reforming the healthcare system right now -- without waiting for congressional passage of a behemoth health-financing bill. He should use the existing 'public options' -- especially Medicare and Medicaid -- as laboratories for change. This approach would have the benefit of beginning to reduce the costs of delivering care before comprehensive legislation makes the system universal."

Anti-abortion activists credited with stopping health reform.

[The Hill](#) (1/23, Hooper, subscription required) reported that on Friday, "GOP lawmakers" told "thousands of anti-abortion activists gathered on the National Mall" to mark the 37th anniversary of Roe v. Wade that "the healthcare reform bill died because of the strength of the pro-life movement." Sen. Sam Brownback (R-KS) "rallied the crowd of anti-abortion compatriots, crediting those huddled together in the cold for keeping the pressure on Democrats to force a vote on a controversial amendment that would ban federal funding of abortion from government-run healthcare plans."

Public Health and Private Healthcare Systems

UnitedHealthcare, Continuum Health Partners spar over control of treatment, costs.

In a front-page story, the [New York Times](#) (1/25, A1, Hartocollis) reports that Continuum Health Partners, "a consortium of five New York hospitals" and UnitedHealthcare "are locked in a struggle over control of treatment and costs that could have broad ramifications for millions of people with private health insurance." In contract negotiations between the two, UnitedHealthcare is demanding notification "within 24 hours of a patient's admission," otherwise reimbursements would be "cut...for the patient by half." While UnitedHealth "says the proposed rule is meant to improve the quality of care and cut costs by allowing insurance case managers to jump in right away," Continuum claims the cuts are too large "for a clerical error." The cuts would also harm patients, the hospitals argue. UnitedHealth is currently negotiating similar deals at hospitals throughout the nation, "and often meeting fierce opposition."

Senior Medicare Patrol volunteers help elderly understand program, fight fraud.

In the [Wall Street Journal](#) (1/23, subscription required) Ask Encore column, Kelly Greene discussed volunteering for the Senior Medicare Patrol, a group that helps seniors understand Medicare and combat fraud. Greene wrote that the group receives about \$9 million a from the Administration on Aging to help train volunteers to give educational presentations, counsel those concerned about fraud, take phone calls, and respond to complaints and concerns of fraud victims.

CMS administrator position remains unfilled.

[CQ HealthBeat](#) (1/23, Reichard, subscription required) reported on the vacancy in the administrator position for CMS, a position that has been open for a year now. CQ notes that there have "been remarkably few complaints on Capitol Hill," and expects Senate Finance Committee Chairman Max Baucus' (D-MT) health adviser Elizabeth Fowler "will be nominated for the post once the push to enact healthcare overhaul legislation comes to an end." Fowler as CMS administrator "would make a lot of sense," according to CQ, but Donald Berwick, a Harvard professor and "a top national expert on improving the quality and safety of healthcare" has also been mentioned as a possible nominee. HHS spokesman Nicholas Papas said, "We are working quickly to find the right nominee for this position."

MedPAC finds geographic disparities in health spending.

The [Florida Times-Union](#) (1/24, Cox) reported that a Medicare Payment Advisory Commission (MedPAC) report found that "in some places, patients of comparable health status with their peers nationwide simply get more healthcare." Miami was "the worst" area, with "widespread fraud...believed to have helped drive service usage 39 percent above the national average and more than 10 percentage points above No. 2 on the list." Meanwhile, "a little-noticed provision in the" House healthcare reform bill "would require the Institute of Medicine to conduct studies on geographic variation in Medicare spending and recommend ways to make the system more equitable."

Fewer doctors in rural Arizona said to take Medicare.

The [Arizona Republic](#) (1/24, Alltucker) reported, "Seniors in rural Arizona towns and cities with a graying population...are facing what health officials acknowledge is a troubling trend: doctors who refuse to see new Medicare patients," citing the low pay and red tape involved. Due to the "primary-care physician shortage," doctors can be selective about their patients, so the issue is also affecting children, the poor, and some working adults. Instead, these people "have turned to hospital emergency rooms, clinics or lengthy car trips to Phoenix for healthcare."

Arizona health insurers dropping Medicare Advantage plans. The [Phoenix Business Journal](#) (1/22, Gonzales) reported, "At least two insurance carriers have pulled their Medicare Advantage plans out of the Arizona market because of Medicare reimbursement cuts." Coventry Health Care Inc. exited the Medicare Advantage Private Fee-for-Service market, and Health Net of Arizona dropped its Violet plan, although it "will continue to offer other types of coverage, including its Green and Ruby plans." According to Peter Ashkenaz, a spokesman for the Centers for Medicare and Medicaid, this year approximately 7 percent of enrolled Medicare Advantage plan beneficiaries in the US "will be forced to choose new health plans."

Florida could cut Medicaid spending in new budget.

The [Daytona Beach News-Journal](#) (1/24, Saunders) reported that due to job losses, "Floridians are increasingly turning to the government-run Medicaid program for healthcare -- driving up costs and playing a major role in a potential \$3 billion state budget shortfall next year." That budget gap "could lead to cuts in Medicaid...while also forcing lawmakers to make tough election-year spending choices among health and education programs." The News-Journal notes that "cuts in some programs are likely," but state "lawmakers and health-industry officials also are looking to Washington for more help in paying for Medicaid next year."

Utah mayor encourages families to sign up for CHIP.

The [Deseret Morning News \(UT\)](#) (1/25, Thalman) reports that "a steady stream of folks" took up Salt Lake County Mayor Peter Corroon's invitation to apply for the Children's Health Insurance Program. Corroon said CHIP was "a successful program that is bipartisan and has

been helping children get the preventative care that is vital to helping them grow into healthy adults." According to the Morning News, "the number of children without insurance in Utah and nationwide is at its lowest level in 20 years, thanks in large part to CHIP, which has received bipartisan support in Congress and nearly unanimous endorsement by Utah lawmakers the past five years."

Senior Market News

Growing number of Americans choosing hospice care.

The [Los Angeles Times](#) (1/22, Aschwanden) reported, "Over the last 25 years, the number of Americans turning to hospice for end-of-life care has climbed dramatically -- from 25,000 in 1982 to 1.45 million in 2008, as more and more people choose to spend their final days in the comfort of home, or a patient facility with a home-like environment rather than in a hospital pursuing aggressive treatments." In addition, over the past 10 years, "Medicare reimbursements for hospice have also risen, allowing more hospices to open without relying on fundraising for survival, says Christy Whitney, chief executive of Hospice and Palliative Care of Western Colorado in Grand Junction." Still, experts say that the "decision to stop curative treatment and enter hospice is never easy, and it comes at a stressful time."

Also in the News

Anthem BlueCross, industry groups said to have funded California GOP retreat.

The [Los Angeles Times](#) (1/24, McGreevy, 776K) reported, "Companies pressing an agenda...funneled \$120,000 to a group that covered much of the three-day event at a luxury resort in Santa Barbara." About 25 Republican senators and Assembly members attended the "retreat at Fess Parker's Doubletree Resort." Senate Republican leader Dennis Hollingsworth of Murrieta "solicited the \$120,000 from 11 trade groups and businesses including Anthem BlueCross" and tobacco and oil firms. The donations were "made through a nonprofit called the Council for Legislative Excellence, which is headed by the wife of a legislative aide, according to the organization's most recent tax filing." Although legislators said the financial arrangement "allowed the retreat to be held without cost to the state," it drew objections from groups, such as the California Common Cause, which alleges the contributions amounted to "buying access by interested parties."

California Kaiser employees to vote in clash between SEIU, NUHW.

The [Los Angeles Times](#) (1/25, McDonnell) reports that "2,000 Kaiser employees at hospitals, clinics and doctor's offices in Southern California" are "voting this month in controversial balloting that could" replace the Service Employees International Union (SEIU) with the National Union of Healthcare Workers (NUHW) "as their representative." Last year, SEIU "asserted control over the California healthcare chapter" after "alleging mismanagement and fiscal irregularities." Union officers who were "forced out" in the process created the NUHW and "played on union members' sense of loyalty, portraying the SEIU as an anti-democratic interloper that has shut workers out of negotiations and cut deals to the detriment of employees and patients." The National Labor Relations Board ordered "that a vote be held this month to determine who has the right to represent" the Kaiser employees.

Physician argues "HIPAA should be scrapped."

In an op-ed in the [Chicago Tribune](#) (1/24), physician Cory Franklin wrote on "what a farce things have become with HIPAA." He argues that "today virtually no one, including privacy experts, understands the law," and the law's complexity has caused hospitals to overreact "by spending huge sums of money generating forms and hiring compliance officers and special staff." The rules are now applied "arbitrarily and overzealously, assuming that withholding information is less risky than disclosing it." He concludes, "HIPAA should be scrapped -- it has caused more problems than it has solved. Instead, the feds and individual states should create offices to investigate and enforce confidentiality through simplified laws carrying stiff fines and criminal penalties for violators."

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