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

Customized Briefing for Kimberly Barry-Curley

September 23, 2009

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Leading the News

Republicans protest CMS letter to insurers.

[ABC World News](#) (9/22, story 8, 2:25, Gibson) reported that during a Senate Finance Committee hearing, "a war of words broke out over what one of the nation's largest health insurance companies is saying about the bill." ABC added, "It's not often you hear language like this on the Senate floor." Sen. Mitch McConnell (R-KY), said, "'Shut up,' the government says. 'Don't communicate with your customers. Be quiet and get in line.'" According to ABC, "He's talking about this order issued last night by the Department of Health and Human Services, telling insurance companies who serve Medicare recipients to stop 'misleading' and 'confusing' mailings. ... The extraordinary order comes in response to a mailing the Humana Insurance Company sent to customers in the Medicare Advantage Program," that "warned that because of Medicare cuts in the healthcare reform bills, quote, 'millions of seniors and disabled individuals could lose many important benefits and services.'" According to ABC, "Some legal experts say the order is unconstitutional."

The [AP](#) (9/23, Babington) reports that CMS "sent a notice to all companies that sell private Medicare coverage and stand-alone drug plans to seniors" to "immediately discontinue all such mailings to beneficiaries and to remove any related materials directed to Medicare enrollees from your websites." Peter Ashkenzaz, a CMS spokesman, said, "Because these are Medicare contractors, we want to make sure that the health plans' communications to beneficiaries are not violating marketing requirements or using protected information like Medicare mailing lists improperly."

The [Washington Post](#) (9/23, Hilzenrath) quotes Robert Zirkelbach, a spokesman for America's Health Insurance Plans, "the industry's main lobbying group, as saying, "Seniors have a right to know how the current reform proposals will affect the coverage they currently like and rely on." The Post notes that Humana is based in Kentucky and has "been a large contributor to McConnell, donating \$112,452 over his career, according to Eric Schultz, communications director for the Democratic Senatorial Campaign Committee." [Reuters](#) (9/23, Heavey) also covers the story.

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Legislation and Policy

Baucus adds \$50 billion to health bill's cost, reduces insurance mandate tax.

The [AP](#) (9/22, Espo) reports that Sen. Max Baucus (D-MT), chairman of the Senate Finance Committee, "gaveled open a long-awaited debate over healthcare Tuesday with fresh plans to reduce costs on working-class families and impose new obligations on the insurance industry." Sen. Baucus "announced he was adding \$50 billion to draft legislation to help those who would be required to purchase insurance." These changes "seemed designed to appeal to critics within his own party. ... The most significant would sweeten the subsidies for individuals and families with incomes up to four times the government's poverty level -- \$43,320 for individuals and \$88,200 for a family of four." Sen. Olympia Snowe (R-ME), "the Republican whom Baucus has courted most assiduously," said "noncommittally" that the bill was "a solid starting point." Sen. Jon Kyl (R-AZ) "called the measure a 'stunning assault on our liberty' and cited a requirement for individuals and families to buy insurance."

The [Christian Science Monitor](#) (9/23, Grier) reports that, "in general...Baucus' moves seemed aimed at making his bill more appealing to Democrats who felt his original draft was too austere." [McClatchy](#) (9/23, Lightman) notes that the Finance panel's "13 Democrats and 10 Republicans took more than three hours to make their opening statements expressing their views. Committee members offered 564 amendments."

[USA Today](#) (9/23, Fritze), the [Los Angeles Times](#) (9/23, Hook, Levey), and the [Wall Street Journal](#) (9/23, Hitt, Adamy, subscription required) also cover the story.

Biden says insurers will benefit from expanded pool of customers.

The [Washington Post](#) (9/23, Fletcher) reports that Vice President Biden told a meeting of the National Association of Insurance Commissioners "that tighter regulation of the industry is needed to protect consumers and slow the spiraling cost of medical coverage. Far from destroying the profitability of health insurance companies, the new regulations envisioned by President Obama would enhance competition and choice for consumers while creating a bounty of new customers, Biden said." Biden added, "So, the profits might not be as high per person they cover, but there will be a much larger pool of paying customers."

The [AP](#) (9/23, Syeed) also reports that Biden "stressed that insurance companies should make a profit, but that they also must be held accountable. ... 'This is not going to spell the end of private insurance,' he said." Biden "said if everyone is expected to have health insurance, companies will gain 'tens of millions' of new customers."

Democrats still concerned by burden on individuals, lack of public option.

Contrary to most of the reporting on Tuesday's committee hearing, which emphasizes the new provisions meant to mollify skeptical Democrats, the [Washington Post](#) (9/23, Murray, Montgomery) reports, "Both sides found plenty to criticize in Sen. Max Baucus' bill, particularly its requirement that all US citizens must buy health insurance at potentially high costs." Democrats "said they would press to further reduce costs for the millions of Americans who would be required to buy coverage."

According to [The Hill](#) (9/23, Young), "Several" Democratic senators, including Sens. Bingaman (NM), Schumer (NY), Stabenow (MI), Cantwell (WA), and Menendez (NJ) "complained the Baucus' bill does not include a public option of any kind. The committee will vote on an amendment to add a public option, but opposition from all Republicans and skepticism from" Baucus and Sen. Kent Conrad, "at least, make the chances of passage slim." Sen. Ron Wyden (D-OR), who champions his own version of healthcare reform, "offered strong hints that his vote could be hard to come by."

Health bill would pare health expense accounts. [USA Today](#) (9/23, Dugas) reports that "the healthcare bill proposed last week by the Senate Finance Committee would pare tax-free health expense accounts." The bill "would limit [flexible spending account] contributions to \$2,000 a year beginning in 2013." Additionally, "it would standardize the expenses that are qualified."

CBO director contradicts Obama, says reform bills include Medicare cuts.

The [AP](#) (9/23, Werner) reports that CBO director Douglas Elmendorf is "contradicting" President Obama's "off-stated claim that seniors wouldn't see their Medicare benefits cut under a healthcare overhaul." Elmendorf "told senators Tuesday that seniors in Medicare's managed care plans would see reduced benefits under a bill in the Finance Committee. The bill would cut payments to the Medicare Advantage plans by more than \$100 billion over 10 years." In another [AP](#) article (9/23, Babington), Elmendorf is quoted as saying that the Baucus bill "would reduce the extra benefits that would be made available to beneficiaries through Medicare Advantage plans."

CBO, Democratic lawmakers concerned Baucus bill could raise insurance costs. [CQ Today](#) (9/23, Wayne, subscription required) reports, "As the Senate Finance Committee began to debate its version of a healthcare overhaul Tuesday, Democratic senators expressed concern that the bill would require people to buy unaffordable insurance policies -- even after the panel's chairman made significant changes to address that issue." Meanwhile, "the Congressional Budget Office (CBO) said it could not say whether" Baucus' "bill would reduce what people pay for healthcare."

McConnell warns against using reconciliation.

[Politico](#) (9/23, Isenstadt) reports that Senate minority leader Mitch McConnell (R-KY) "issued a blunt warning to their Democratic colleagues today: Don't even think about using reconciliation to ram through a healthcare bill." McConnell said, "Let me say...budget reconciliation has never been used to structure one-sixth of the American economy. If that option were chosen, there would be a severe, negative, and I think appropriate reaction from the American people. If you thought the American people were upset in August, you haven't seen how upset they will be if this device is chosen."

Poll finds 39 percent think healthcare reform plans "a good idea."

[NBC Nightly News](#) (9/22, story 2, 3:20, Williams) reported on a new NBC/WSJournal poll. Political director and chief White House correspondent Chuck Todd said that on the healthcare issue, the President "has stabilized the political situation: While only 39 percent think his plan is 'a good idea,' there are still more people who tell us they'd rather see the plan pass, 45 percent, than see no change at all, 39 percent."

Schwarzenegger signs bill to preserve Healthy Families coverage for children.

The [AP](#) (9/23) reports that California Gov. Arnold Schwarzenegger (R) "has signed a bill that will prevent nearly 700,000 low-income children from losing health insurance. Schwarzenegger signed the bipartisan bill Tuesday in the state Capitol restoring funding to the state's Healthy Families program."

On the front-page of its Bay Area & State section, the [San Francisco Chronicle](#) (9/23, D1, Yi) points out that Gov. Schwarzenegger's signature reverses "his earlier threat to veto all legislation unless state lawmakers first addressed his top priorities." The governor said [AB 1422](#) was "too important not to sign," even though the "issues he wanted the Legislature to deal with weren't done -- or weren't done to his satisfaction." AB1422 would "raise \$194 million a year in part by imposing a temporary tax on healthcare giants such as Health Net and Kaiser that participate in the state's Medi-Cal program. ... The new 2.35-percent tax on companies that manage Medi-Cal insurance programs would replace a separate 5.5-percent fee that is scheduled to expire in October."

The [Los Angeles Times](#) (9/23, Bailey) "L.A. Now" blog adds that "insurance companies will be largely reimbursed with federal money for the cost of the tax, which expires at the end of 2010." In addition, the state's "First 5 early childhood development effort, the voter-approved program that is flush with cash from a special tobacco tax, has agreed to divert \$81 million" to help Healthy Families. More than "\$15 million in additional funds would come from a shift in dental coverage and from higher premiums and co-payments for Healthy Families participants." The [Los Angeles Business Journal](#) (9/23, Robertson) also covers the story.

Public Health and Private Healthcare Systems

School-based outreach office in Utah eases access to insurance for parents of severely disabled.

The [Salt Lake Tribune](#) (9/22, Dicou) reported, "Gaining access to medical insurance just got less pull-your-hair-out frustrating for parents of students at Riverton's Kauri Sue Hamilton School, a new facility for Jordan School District's most severely disabled students." In fact, parents can visit the Department of Workforce Services outreach office, which is "located conveniently inside the building," and "receive face-to-face help and simplified access to government insurance programs such as Medicaid, Children's Health Insurance Program, Utah's Premium Partnership for Health Insurance and Primary Care Network." The center also "distributes Deseret Industries vouchers, connects folks with free food, and finds Sub For Santa donors."

Newark program aims to help uninsured, underinsured obtain routine medical care.

The [AP](#) (9/22, Epstein) reported, "Healthcare reform has come to New Jersey's largest city." Already, "Newark has enrolled 400 uninsured and underinsured residents in a pilot program that enables them to obtain routine medical care from family doctors." The city wants to "prevent people with chronic illnesses from seeking more costly treatment at hospital emergency rooms as a last resort." The "yearlong program is expected to save area hospitals more than \$2 million." Notably, the "wife of former presidential candidate" Sen. John Kerry (D-MA) "is spearheading the initiative with the administration of Newark Mayor Cory Booker (D)."

Minnesota gets \$35 million HHS grant for uninsured.

The [Minneapolis-St. Paul Business Journal](#) (9/22, Grayson) reported, "The Minnesota Department of Human Services (DHS) has received a grant that could be worth \$35.3 million over the next five years" to increase access to healthcare for the uninsured. The DHS will use a one-year, \$4.6 million grant, which can be renewed annually from HHS, to work with three organizations to bring preventive care to an estimated 10,000 uninsured persons who aren't eligible for public assistance.

Uninsured

Plight of uninsured Americans examined.

[USA Today](#) (9/23, Hall, Fritze) reports on "the nation's uninsured -- a growing class of people whose recession-fed ranks have swelled to 46.3 million. ... While the nation waits for Congress and the White House to come up with answers, those who live without insurance say they are waiting scared." USA Today notes that the President "has conceded that his plan would not cover all of the uninsured" and profiles five Americans without health insurance.

Florida county's uninsured rate far surpasses national average, Census data show.

In continuing coverage of the American Community [Survey](#) by the US Census Bureau, the [Miami Herald](#) (9/23, Dorschner) reports that in Florida, "an average of 3.7 million" were uninsured "over the past three years -- 20.5 percent -- the fourth-highest rate in the country." In "Broward, 21.8 percent are uninsured. In Miami-Dade, it's 28.1" percent. In Hialeah, however, "a stunning 53 percent of adults ages 18-64 in lack health insurance -- almost three times the national average." Most experts said they were not surprised to see so many uninsured in Hialeah, where 95.9 percent of the population is Hispanic. According to the Census data, "30.7 percent of Hispanics were uninsured in 2008, down slightly from 32.1 percent in 2007."

Yonkers has highest uninsured rate of New York's cities.

The [Westchester \(NY\) Journal News](#) (9/22, Hendereson) suggested a link between uninsured and concentrated immigrant populations. The journal notes that Census data show that "nationally, the highest rates are in immigrant portals like Texas, California and Florida where the uninsured can approach 40 percent or more." As for New York, "Yonkers has the highest uninsured rate among the state's large cities." New York City is "second to Yonkers at 14 percent uninsured, but considered separately, Queens and the Bronx are as high as Yonkers at 17 percent." Yonkers and Mount Vernon, "another city that ranked high in the state with 14 percent uninsured, are about one-third immigrant." Notably, the data show that "Warren and Cayuga counties have rates of 14 percent, despite tiny immigrant populations of less than three percent."

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