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★ **Capitol Conference Deadline Extended**

Due to the recent blizzard, NAHU offices were closed for a nearly a week. As a result, we are extending the Capitol Conference registration deadline to Thursday, February 18. Please click [here](#) to register online. If you need assistance, please e-mail meetings@nahu.org.

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★ **Snow Slows Health Care Action, But Doesn't Halt It Completely**

Washington, DC, is famous for many things, including its complete inability to handle any weather-related emergency gracefully. This week's two record-breaking blizzards were no exception, resulting in the federal government closing its doors for business four out of the past five days. As a result, little substantive legislative activity took place this week, but that doesn't mean that there wasn't any action at all on health care reform.

During a nationally televised interview with Katie Couric prior to the Super Bowl on Sunday, President Obama called for a bipartisan televised health care summit to be held at Blair House on February 25. "I want to consult closely with our Republican colleagues," Obama told Couric. "What I want to do is to ask them to put their ideas on the table... I want to come back [after the President's Day recess] and have a large meeting, Republicans and Democrats, to go through, systematically, all the best ideas that are out there and move it forward." Obama followed up on this call for bipartisan cooperation with a meeting of Republican and Democratic congressional leaders at the White House on Tuesday. After the meeting, he told reporters about the GOP, "I'm willing to move off of some of the preferences of my party in order to meet them halfway, but there's got to be some give from their side as well."

But there was decidedly non-bipartisan action going on as the snow piled up outside the Capitol too. Democratic Senate staffers continued to ponder scenarios to move health care reform legislation acceptable to Democrats in both chambers forward using the budget reconciliation process. However, procedural hurdles (as reported in last week's Washington Update) still daunt them.

In addition, in an interview with *Roll Call* on Tuesday, House Speaker Nancy Pelosi (D-CA) continued to urge the use of reconciliation to pass health reform in the Senate. "It's up to us to make sure the public knows that this is not extraordinary," she said. "And the public knows that a constitutional majority is 54. It would be a reflection on us if we could not convince people

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majority is 51. It would be a reflection on us if we could not convince people that this is not an unusual place to go.”

At an Academy for Health meeting that same day, her top health care aide, Wendell Primus, outlined a way in which he believes the Senate could do so. “The trick in all of this is that the president would have to sign the Senate bill first and then the reconciliation bill would be signed second and the parts of the reconciliation bill that trump the relevant portions of the first signed bill. You would really have to use the fact that a later enacted bill takes precedent over a previously enacted bill to achieve the right outcome.”

It's very unclear whether or not Primus' strategy would be deemed legal, as rules seem to not allow Congress to pass changes to a bill that is not yet law. And the Senate parliamentarian (who would make this determination) has yet to weigh in on Primus' theory.

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Health Summit and the GOP: Should They Stay or Should They Go?



Since President Obama issued his call for a bipartisan summit on health care reform this past Sunday, political commentators have been abuzz discussing whether or not the summit will be, or even can be, a substantive policy discussion that will move health reform forward. Many think the administration and GOP are just setting up for another clash. While so far congressional leaders have all appeared committed to at least attending the summit (though no formal invitations have actually been issued), there have been some commentators who have wondered whether or not the GOP should even attend at all. In addition, the news has been filled with opinion pieces as to how both sides should behave at the meeting, and what ideas each should present.

In preparation for the summit, the GOP leadership in the House sent a [letter](#) to the President's Chief of Staff, Rahm Emanuel, on Monday. In the letter, House Minority Leader John Boehner (R-OH) and House Minority Whip Eric Cantor (R-VA) pose a series of questions about the summit, including whether or not President Obama will abandon the campaign to use the budget reconciliation process to advance health care reform through the Senate, if congressional Democrats who have opposed the health care reform bill in the House will be included in the discussion, if state officials with concerns about the bills will be included, if outside experts will be included in the discussion and if those experts will include the CBO and CMS actuaries who have indicated the proposals on the table will not reduce health care costs, and if the GOP will be allowed to invite their own experts to the meeting.

Even before the summit was announced, GOP congressional leaders were making a unified call for abandoning the two bills that are currently on the table and starting over in a bipartisan way. At first, President Obama seemed committed to using the two bills on the table as the basis for all negotiations, but as this week has progressed he has softened his stance a bit. After Tuesday's meeting with congressional leaders, he said he was “open to any ideas” relative to cost-containment, eliminating the use of preexisting condition clauses by insurers and making health insurance more affordable. However, at the same press conference, he also warned Republicans not to take his openness for granted. It has also been widely reported that Democratic congressional leaders hope to go into the February 25 meeting with an agreement and plan for their two bills, something that has eluded their efforts for months.

their caucus for months.

NAHU has consistently called for a true bipartisan effort to pass substantive health reform, and as Congress and the Obama administration prepare for the summit, we will continue to advance NAHU's ideas for affordable, responsible health reform with lawmakers on both sides of the aisle. If you have any questions about our activities, please do not hesitate to contact any member of NAHU's government relations staff.

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Reid Kills an Attempt at Bipartisan Jobs Legislation with Health Implications

There was an attempt on bipartisan action on jobs legislation with health care implications in the Senate this week when Finance Committee Chairman Max Baucus (D-MT) and Ranking Member Chuck Grassley (R-IA) jointly released draft legislation known as the [Hiring Incentives to Restore Employment \(HIRE\) Act of 2010](#). However, within hours of the bill's release, Senate Majority Leader Harry Reid (D-NV) declared the legislation dead, and said that the Senate would soon consider a yet-to-be-released and significantly stripped down version of a jobs bill some time in the future.

The Baucus-Grassley bill contains a seven-month fix to the Medicare Sustainable Growth Rate (SGR) problem by extending the current reimbursement rate fix through September 30, 2010, but Reid said that the provider reimbursement provisions would not be included in his bill. That means, absent further congressional action, Medicare payments to providers will have to be cut by at least 21% on March 1. In addition, the bill contained a variety of other "Medicare extenders" in the bill, like a full-year extension to the Medicare therapy caps exception process. Baucus and Grassley planned to pay for the health components in their bill by a draw-down of \$8 billion from the Medicare Improvement Fund.

The Baucus-Grassley HIRE Act also would extend the current federal subsidy of COBRA premiums to those laid off through May 31, 2010—a three-month extension of the current deadline of February 28, 2010—and Reid has not indicated whether or not this subsidy extension will be included in his stripped-down bill. Under the HIRE Act, subsidies for the newly eligible individuals would last for up to 15 months, which is the same as the currently eligible population. The bill would potentially create a new class of eligible individuals for the subsidy, too, by clarifying that individuals whose hours were reduced prior to being laid off entirely would become eligible for COBRA subsidies upon loss of employment. It also includes new penalty language establishing the ability of individuals to bring civil action against health plan sponsors and health insurance issuers relative to subsidy determinations, and a fine of up to \$110 dollars a day for employers or health plan issuers that refuse to comply with federal determinations relative to the subsidy within 10 days of receiving such a determination.

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Anti-Trust Exemption Legislation Did Not Weather the Storm

One measure that did not see any action this week was the bill to repeal the federal antitrust exemption provided to health and medical malpractice insurers by the McCarran-Ferguson Act. A bill on this topic was supposed to be introduced last Friday by Representatives Tom Petri (R-VA) and Peter

be introduced last Friday by Representatives Tom Periello (D-VA) and Betsy Markey (D-CO). Since the federal government closed early last Friday due to extreme weather conditions, text and a bill number for this measure have yet to be released. Last week, the House leadership had announced plans for a rules committee hearing on this bill on February 9, with a floor vote planned for later this week. However, all House votes and hearings were cancelled this week due to the weather, and it's unclear when action on this bill will be scheduled next, as the House is now out of session for the President's Day recess until February 22.

As this bill will only increase costs and has little-to-no actual consumer protection value, NAHU opposes the legislation. You can contact your congressional representatives [here](#) to send them an Operation Shout message letting them know your views.

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New Poll Show the Majority of Americans Say Scrap the Existing Health Reform Bills and Start Over in a Bipartisan Fashion

According to a new [poll](#) released on Thursday by Rasmussen Reports, 61% of U.S. voters say Congress should scrap the current plan and start all over again. Just 28% of Americans surveyed believe it would be better to build upon the current health care reform bills passed by both the House and Senate late in 2009. Thirty-nine percent of Americans approve of the current plans, while 58% disapprove—figures that have polled consistently since last Thanksgiving. Also, according to Rasmussen, only 35% of voters believe Congress should pass health care reform before the upcoming midterm elections anyway. Fifty-four percent say Congress should wait until voters select new congressional representatives in November.

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DOL Releases Model Notice for Employers Regarding CHIP and Medicaid Premium Assistance Plans

The Department of Labor has released a [model notice](#) for employers to use to provide required information to employees about opportunities in their state for group health plan premium assistance under Medicaid and the Children's Health Insurance Program (CHIP). Employers must provide the notice to their employees either by the first day of the new plan year that begins after February 4, 2010, or by May 1, 2010, whichever is later.

According to the DOL, any employer with a group health plan in a state in which the employee lives is required to provide those employees certain information. The notice applies to states that "provide medical assistance under a state Medicaid plan under title XIX of the Social Security Act in the form of premium assistance for the purchase of coverage under a group health plan." The department has identified 40 states that offer one or more programs that would require employers to provide a notice to employees, and these states are outlined on the model notice.

The notice is required to inform the employee of the opportunities that "currently exist" in the state for premium assistance under Medicaid and CHIP for coverage of the employee or dependents, the department said. The notice also should include necessary information to assist an employee in contacting the state and seeking assistance. The notice is not required to be provided in a separate filing. Employers may provide the required information by alternative means, such as electronically with information in format

by alternative means, such as concurrently with information informing employees of their health plan eligibility, open season, or summary plan description. The notice is required to be provided regardless of the employer's location or principal place of business, or the location or principal place of business of the group health plans, their administrators, insurers, or any other service providers affiliated with the employer plan.

The DOL is also seeking comments on the content of its model notice by April 5, 2010. NAHU's government affairs staff is currently reviewing the notice, and will provide comments on behalf of the association if appropriate.

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Why We Need You at Capitol Conference 2010



Contrary to what some are saying, health care reform is not yet dead! Even though voters in Massachusetts and public opinion around the country have told our elected officials to start over entirely and work in a true bipartisan fashion, Democrats in Congress and the White House are in overdrive looking for a way to resuscitate and ram through their very partisan legislation.

This is why we need our members at this year's Capitol Conference — to show strength in numbers that our industry stands for the right kind of health reform. Click [here](#) to register today!

If anything is clear at this point, it's that congressional leaders are in complete disarray as to how to move the ball forward. Democrats are trying to appease numerous factions within their highly diverse party, and it's likely that health reform discussions will continue for weeks to come, if not longer. As President Obama underscored in his State of the Union Address, jobs and the economy will take center stage on his domestic agenda for the near term.

But even in the unlikely event that Congress rams through some version of their bills in the next few weeks, there is still significant work to be done in the implementation and regulatory process, and our strong voices will be needed more than ever

Now is not the time to be complacent. We need many of our members to attend this all-important Capitol Conference to learn about the latest developments in health care reform, and to present to our elected officials a dedicated constituency that looks forward to continuing to make sensible health care reforms happen!

The schedule this year will feature a full day of training and information sharing on Monday, March 8, and speakers and Capitol Hill visits on Tuesday, March 9, and Wednesday, March 10. Just some of the planned speakers and sessions include:

- Health Reform and the 2010 Election Cycle with Stuart Rothenberg
- The Economic Impact of Health Reform, a discussion with Douglas Holtz-Eakin, president of DHE Consulting LLC and former director of the Congressional Budget Office, and Len Nichols, director of the Health Policy Program at the New America Foundation
- How Health Reform Could Impact The States—Views of a Governor and State Insurance Commissioners
- Public Opinion and Health Reform: A Media Perspective
- 2010 Health Policy Priorities in the House and Senate Presented by Key Members of Congress

- The Obama Administration's Expectations Going Forward

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