

Health Reform Update- August, 2011

Reform in Vermont- is there a lull before the storm?

Given the long list of tasks due for the 2012 legislative session, state staff assigned to health care reform have been busy all summer. But it's all behind the scenes; there's little news and no public activity. We won't hear the final decision on hospital budgets until mid-September. A blanket exemption from state "open meeting" and "public documents" laws means that all of the activities of the nominating committee for the Green Mountain Board are taking place in secret. Those appointments also are expected to be announced in September.

All we do know about that process is that one of the over 100 applicants was Governor Peter Shumlin's key health care advisor, Dr. Anya Rader-Wallach. We know this only because she publicly announced that she was applying, and said she would like to be Chair of the Board. She's been making presentations on Vermont's reform at locations outside of the state, and has published an article in the New England Journal of Medicine outlining the important cost containment efforts the Board will undertake. It's a fine article, by the way, and well worth reading. If the Board can accomplish what she describes, Vermont will indeed make history. One of the most interesting aspects of her description is the implication that these efforts will be made in a multi-payer, not single-payer, environment. You can read this important article at: <http://healthpolicyandreform.nejm.org/?p=14965> .

Implementation of the federal law – the Affordable Care Act (ACA) – continues. Legal challenges to the law have targeted the individual mandate and employer assessments, so those cases have not interfered with implementation of the nationwide insurance reforms and other aspects that have not been directly challenged in the courts. There are some notable federal activities this summer:

Coverage for preventive health services for women. Guidelines for new and non-grandfathered insurance plans were issued by the US Department of Health and Human Services (HHS) designating the types of preventive services for women that must be covered at no cost to the patient. Starting with plan years beginning August 1, 2012, plans must cover with no deductible, co-payment or co-insurance, the following services for women:

- well-woman visits;
- screening for gestational diabetes;
- human papillomavirus (HPV) DNA testing for women 30 years and older;
- sexually-transmitted infection counseling;
- human immunodeficiency virus (HIV) screening and counseling;
- FDA-approved contraception methods and contraceptive counseling;
- breastfeeding support, supplies, and counseling; and
- domestic violence screening and counseling.

These additions to the preventive services requirement for private insurance builds on the insurance market rules issued by HHS last year requiring all new and non-grandfathered private health plans to cover several evidence-based preventive services like mammograms, colonoscopies, blood pressure checks, and childhood immunizations without charging a copayment, deductible or coinsurance. These new requirements were adopted based on recommendations from the Institute of Medicine (IOM), and were developed based on scientific evidence about effective preventive health services for women.

According to the HHS announcement, "the rules governing coverage of preventive services ... allow plans to use

reasonable medical management to help define the nature of the covered service apply to women's preventive services." The guidelines can be found at: www.hrsa.gov/womensguidelines/.

Regulations Issued on Requirements for State Insurance Exchanges. I've posted a blog describing what is in the rules, and how Vermont's initial plans appear to be at odds with the federal vision.

<http://vtreform.wordpress.com/2011/07/16/federal-rules-for-exchanges-at-apparent-odds-with-vermonts-single-carrierplan-approach/>

Funding Announced for Development of Model Comprehensive Workplace Wellness Programs. In June, the HHS sent out Request for Proposals for a nationwide contractor to establish, test and evaluate a model for comprehensive workplace health promotion programs. Says the RFP, "the initiative, with funds from the Affordable Care Act's Prevention and Public Health Fund, is aimed at improving workplace environments so that they support healthy lifestyles and reduce risk factors for chronic diseases like heart disease, cancer, stroke, and diabetes." The goal is development of an evidence-based model that can be replicated by small and medium-sized businesses across the country. The contractor will be recruiting individual worksites to work as regional "cohorts" of businesses for the project. This may be an interesting opportunity for businesses in Vermont who've wished they could have such a program, but haven't had the resources or know-how. Bids were due August 8th, so an announcement of the winning contractor should be forthcoming. We'll follow this to make sure Vermont businesses have an opportunity to take part in the pilot project.

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