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HEALTH CARE REFORM UPDATE October 21, 2013

Leading the News

Government Shutdown Ends, ACA Emerges Mostly Unscathed Despite Continued Glitches

On October 16, the House and the Senate came to an agreement to raise the debt ceiling and reopen the government. The final agreement between Congressional leaders requires the Department of Health and Human Services (HHS) to verify the income of those who would receive subsidies on the Health Insurance Marketplace. The [legislation](#) directs HHS Secretary Kathleen Sebelius to submit a report by January 1, detailing the procedures to verify income eligibility and requires, within six months, the HHS Inspector General to submit a report analyzing the effectiveness of these procedures.

With the shutdown resolved, Republican Members of Congress are refocusing their attention on the Affordable Care Act (ACA) and the technical glitches which continue to plague healthcare.gov. There remain concerns from both opponents and supporters of the law that the website's technical glitches are discouraging many people from visiting the website and enrolling for health insurance, as a result, lowering the enrollment rate. Prominent Democrats, including Senate Finance Committee Chairman Max Baucus, [continue to assert](#) that glitches are normal in any project of this size and that they can be fixed. Over the weekend, HHS [announced](#) that they were in the process of making changes to healthcare.gov so as to make it easier for consumers to preview plans, premiums, and potential subsidies. In addition, HHS [announced](#) they were bringing in both private sector and government experts to fix healthcare.gov as part of what they called a "Tech Surge."

During a press conference on October 21, President Obama [stated](#) that he was disappointed with the technical problems and that every effort is being made to repair the website. The President noted that the website has had nearly 20 million visitors since open enrollment began on October 1 and that nearly 500,000 consumers had successfully submitted applications for health insurance on the federal and state exchanges. He remained confident that the website would be operating more reliably very soon and

noted that those who need health insurance will remain patient with the website's glitches and eventually enroll for health insurance.

Implementation of the Affordable Care Act

On October 13, the Washington Post [published](#) an analysis which found that premiums will vary widely for similar individuals in different states. As a result, the amount the government has to pay to subsidize these premiums will also vary widely in each state.

On October 14, the National Journal [reported](#) that due to the National Voter Registration Act, the state and federal Health Insurance Marketplaces will be required to offer consumers the opportunity to register to vote. This has received some opposition from conservatives who believe those most likely to purchase insurance through the Marketplaces will register as Democrats.

On October 15, Millward Brown Digital [published](#) an analysis which estimates that 99.6% of visitors to healthcare.gov in its first week did not enroll for health insurance. In total, they estimate only 36,000 consumers enrolled.

On October 15, Gallup [published](#) a poll which found that 50% of Americans want to scale back or repeal the ACA. This is down from the 57% of Americans who wanted to scale back or repeal the ACA in January, 2011.

On October 15, the National Association of Medicaid Directors [stated](#) that as a result of the government shutdown, communications between the states and the Centers for Medicare and Medicaid Services (CMS) continued to be limited, hampering the processing of state plan amendments.

On October 16, Representative Diane Black (R-TN) and Representative Patrick Meehan (R-PA) [sent a letter](#) to HHS Inspector General Daniel Levinson requesting information about the security of the Federal Data Services Hub.

On October 16, the Kaiser Family Foundation [released](#) a report which found that five million adults living in states that did not expand Medicaid will fall into a "coverage gap" where they will not be eligible for Medicaid or for the subsidies in the Health Insurance Marketplaces.

On October 16, Senators Mark Begich (D-AK), Max Baucus (D-MT), Tom Udall (D-NM), Brian Schatz (D-HI) and Al Franken (D-MN) [introduced](#) a bill to correct inconsistencies in the definition of Native Americans in the ACA.

On October 17, the House Energy and Commerce Committee [announced](#) they would hold a hearing to examine the technical glitches which have plagued the opening of the Health Insurance Marketplace. HHS Secretary Sebelius, responding to Republican requests that she testify, said she is unable to testify on Thursday due to a scheduling conflict, but can testify before Congress "as early as next week."

On October 18, Maryland's health insurance marketplace, Maryland Health Connection, [announced](#) that more than 2,300 Maryland households enrolled for coverage through the exchange, while nearly 82,500 were enrolled in Medicaid.

Other HHS and Federal Regulatory Initiatives

On October 15, the open enrollment period for Medicare began. In several [blog posts](#), CMS touted the benefits of the ACA Health Insurance Marketplaces for Medicare beneficiaries but reminded enrollees the Marketplace will not have any effect on Medicare coverage.

Other Congressional and State Initiatives

On October 17, the Oregonian reported that Oregon's fast-track enrollment program has signed up 56,000 new individuals for Medicaid, cutting the number of uninsured in the state by 10%. This was done before the state's online exchange was functional.

Hearings and Mark-Ups Scheduled

House

On Thursday, October 24, the House Energy and Commerce Committee will hold a [hearing](#) titled "PPACA Implementation Failures: Didn't Know or Didn't Disclose?"