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Jeremy Rabinovitz, JRabinovitz@mlstrategies.com
Alexander Hecht, AHecht@mlstrategies.com
Joseph P. Hammang, PhD, JPHammang@mlstrategies.com
Abby Matousek, AMatousek@mlstrategies.com
David Shirbroun, DShirbroun@mlstrategies.com

ML Strategies, LLC
701 Pennsylvania Avenue, N.W.
Washington, D.C. 20004 USA
202 434 7300
202 434 7400 fax
www.mlstrategies.com

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HEALTH CARE REFORM UPDATE July 15th, 2013

Leading the News

IRS Issues Guidance on Employer Mandate, Information Sharing Relief

On July 9th, the Internal Revenue Service (IRS) [issued guidance](#) providing additional clarity on the Treasury Department's announcement that the employer mandate and information sharing requirements under the Affordable Care Act (ACA) would be delayed. The guidance also indicates that proposed rules on information reporting provisions will be published in the next few months and both the information reporting and employer shared responsibility rules will take effect beginning in 2015. Following the guidance, the Treasury Department's Assistant for Tax Policy Mark Mazur [wrote](#) to Chairman Fred Upton of the House Energy and Commerce Committee to explain the Obama administration's authority to delay the employer mandate provision of the ACA.

A number of lawmakers have spoken out regarding the delay. Last week, House Republican leaders sent a [letter](#) to President Obama with questions on why the Administration delayed the employer mandate. Also, a bicameral group of Republicans sent a [letter](#) to the Congressional Budget Office (CBO) with a request for an analysis on the cost impact of the delay, and Senator John Thune (R-SD) [called](#) on President Obama to also delay the individual mandate of the ACA. In addition, House Speaker John Boehner (R-OH) [said](#) it is unfair to require Americans families to comply with the ACA while businesses are exempt until 2015.

CMS Issues Final Navigator Rule

On July 12th, CMS issued a [final rule](#) on the navigators who will help Americans understand the ACA. The rule lays out three assistance programs: the navigator program, "non-navigator assistance personnel," and certified application counselors. The rule clarifies that no individuals or organizations being paid to enroll individuals on the exchanges will be able to serve as navigators, including health insurance issuers.

Implementation of the Affordable Care Act

On July 9th, the CMS Center for Consumer Information and Insurance Oversight (CCIIO) [awarded nearly \\$200 million](#) in grant money to six states for the purpose of improving the ACA exchanges.

On July 10th, Walgreens and BlueCross BlueShield launched a partnership to help Americans understand the ACA.

On July 10th, Oregon [issued finalized rates](#) for the insurers that will provide coverage on the individual and small group markets of the ACA exchanges within the state.

On July 10th, HHS [announced](#) it will award \$150 million in grants to 1,159 health centers across the United States that will help enroll uninsured people on the ACA exchanges.

On July 11th, Republicans on the Senate Finance Committee sent a [letter](#) to HHS Secretary Kathleen Sebelius and Treasury Secretary Jack Lew with questions on the ACA's impact on the federal budget.

On July 11th, the U.S. Fourth Circuit Court of Appeals [rejected an appeal](#) from Liberty University relating to several provisions of the ACA.

Other HHS and Federal Regulatory Initiatives

On July 8th, in a [mid-session review](#) for the 2014 fiscal year, the Office of Management and Budget (OMB) estimated an additional \$123 billion will be spent on Medicaid from 2014 – 2023. An additional \$31 billion is expected to be spent on Medicare over the same time period.

On July 8th, CMS issued a [proposed rule](#) on the hospital outpatient prospective payment and ambulatory surgical center payment systems and the electronic health records (EHR) incentive program.

On July 8th, CMS issued a [proposed rule](#) on revisions to payment policies under the Medicare physician fee schedule.

On July 8th, President Obama, HHS Secretary Sebelius, and CMS Administrator Tavenner [met with health care innovators](#) at the White House to discuss improved care management and innovation.

Other Congressional and State Initiatives

On July 8th, Representative Frank Pallone (D-NJ) [introduced legislation](#) to require Medicare Part D plan sponsors to verify that prescriptions for drugs on the Controlled Substances list are issued by authorized physicians.

On July 9th, the Senate Appropriations Labor and HHS Subcommittee [approved a spending bill](#) that included an additional \$300 million for the National Institutes of Health (NIH) and increased CMS's program management fund budget by 35%.

On July 11th, the Senate Appropriations Committee conducted a [markup](#) of the fiscal year 2014 Labor-HHS appropriations bill. The Senate bill would provide \$164.3 billion in discretionary budget authority for the agencies.

Hearings and Mark-Ups Scheduled

Senate

On July 17th, the Senate Finance Committee will hold a [hearing](#) titled “Health Information Technology: A Building Block to Quality Health Care.”

House of Representatives

On July 16th, the House Rules Committee [will meet to address rules](#) for H.R. 2667 and H.R. 2668, measures that seek to delay employer mandate reporting requirements and the ACA individual mandate for one year.

On July 16th, the House Energy and Commerce Health Subcommittee will hold a [hearing](#) on reforming the drug compounding regulatory framework.

On July 17th, the House Ways and Means Committee will hold a [hearing](#) on the delay of the employer mandate and reporting requirements of the ACA.

On July 17th, the House Oversight and Government Reform Subcommittee on Health Care and the House Homeland Security Cybersecurity Subcommittee will hold a [joint hearing](#) on privacy, security, and fraud concerns with the information sharing apparatus of the ACA.

On July 18th, the House Energy and Commerce Oversight and Investigations Subcommittee will hold a [hearing](#) on implementation of the ACA and the employer mandate delay.

On July 19th, the House Veterans’ Affairs Committee will hold a [hearing](#) on the care and treatment provided to survivors of military sexual trauma.