



Romney Choice of Rep. Paul Ryan for VP Raises Stakes for Medicare Reform

Medicare in Focus

Republican presidential candidate Mitt Romney picked **Rep. Paul Ryan**, the Chairman of the House Budget Committee and author of the House budget plan, as his vice presidential running mate. The Republicans turned table on **President Obama's** criticism of the Ryan Medicare budget plan by campaigning all week on Obamacare's \$716 billion cut in

Medicaid to pay for health reform. The Obama campaign fired back that Romney's call for the repeal of Obamacare would result in moving up the date of Medicare trust fund insolvency from 2022 to 2016. The Romney camp said their revised plan for Medicare reform would not affect those 55 and older and result in transforming the program for younger beneficiaries into one that looks similar to the Medicare Part D drug program.

Health Insurance Exchange Blueprint Released

The CMS Center for Consumer Information and Insurance Oversight (CCIIO) issued a final "Blueprint for Approval of Affordable State-based and State Partnership Insurance Exchanges" which, among other things, explains:

- ◆ functions to be performed by state-based exchanges;
- ◆ functions performed by exchanges operated as joint federal/state partnerships; and
- ◆ functions that states can perform in "federally facilitated" exchanges that HHS by default must set up in states that do not meet the state-based qualification requirements.

Applications for the first two types of exchanges are due by this November 16th and the CCIIO will approve or give

additional approval to the applications by the beginning of next year.

The CCIIO is still urging states to perform various functions, such as Medicaid and SCHIP eligibility determinations, in instances in which the federal exchange is in operation. As an inducement for states to adopt their own exchanges, the CCIIO said such states will still

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have the option of allowing the federal government: to conduct eligibility determinations for tax credits and cost-sharing reductions for low and moderate income

exchange participants; to make determinations about exemptions from the individual mandate for hardship or other reasons; to operate risk adjustment programs; and to operate a reinsurance program for issuers of individual

coverage. HHS is holding meetings in DC, Atlanta, Chicago and Denver with state officials and others to discuss the rules and urge state participation.

Will CLASS Begin?

Rep. Charles Boustany and Senator John Thune sent a letter to HHS Secretary Kathleen Sebelius raising concerns about recent HHS activities involving the potential implementation of the PPACA long-term care CLASS program. They said “We’re disappointed CLASS implementation deadlines remain part of federal law, and more troubled to learn it appears that HHS

officials have resumed CLASS implementation discussions during large group meetings with stakeholders....” They asked for clarification of whether HHS thinks it has the legal authority to implement the CLASS Act even though the program has not been repealed. The House previously passed H.R. 1173, legislation that would repeal the CLASS Act.

GAO Reviews Studies of Employer Reaction to PPACA

The GAO released a report, Patient Protection and Affordable Care Act: Estimates of the Effect on the Prevalence of Employer-Sponsored Health Coverage, which reviews 27 studies and various surveys estimating how many employers

will drop coverage as a result of the PPACA’s employer mandate and other provisions. Of note, the CBO estimated that employer plan coverage would be reduced by about 4 million participants, or 2.5% and CMS estimated coverage would increase by about

200,000 participants. The Lewin Group projected a net decrease in coverage of 1.6%. In 19 surveys of employers, the percentage of employers stating they would drop coverage ranged from 2 to 20%.

Ryan White Grants

HHS announced that 114 organizations and health providers will receive more than \$68 million in HRSA Ryan White HIV/AIDS Program grants. HHS said the grants will aid community-based organizations, university hospitals and health departments provide core medical and support services for newly diagnosed or newly identified persons living with HIV/AIDS, previously diagnosed patients who have never had such care and HIV/AIDS patients who are returning to care after more than a twelve-month absence.

PPACA Funding for Epidemiology

HHS announced the awarding of \$48.8 million to all 50 states and several large cities to improve disease reporting and monitoring by hiring and training staff; investing in information technology; and buying laboratory equipment and supplies for diagnosing emerging pathogens.