

## SAMHSA's Weekly Financing News Pulse: National Edition

### National News

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- Four States Form Prescription Drug Abuse Task Force
- Treasury Department Issues Proposed Rules Governing Health Reform's Premium Tax Credit Eligibility

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**Over the next few weeks, SAMHSA's Financing News Pulse will be suspended while SAMHSA reworks its format and content. Thank you for your continued readership. We look forward to providing you with an improved product in the near future.**

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## National News

- **HHS Awards 106 Annual Benefit Waivers; 8<sup>th</sup> U.S. Circuit Court of Appeals to Hear Health Reform Case in October:** In July, **U.S. Department of Health and Human Services** (HHS) officials awarded 106 waivers exempting health plans from the health reform's annual benefit limit requirement, bringing the total number of waivers to 1,472. HHS will stop accepting waiver applications on September 22; however, waivers granted or renewed by September 22 will run through 2013 ([The Hill, 8/19](#); [Kaiser Health News, 8/22](#)). In other health reform news, on August 23, the **8<sup>th</sup> U.S. Circuit Court of Appeals** announced plans to hear oral arguments in **Missouri Lieutenant Governor Peter Kinder's** (R) challenge of the national health care reform law during the week of October 17. Originally filed last July in **U.S. District Court**, Lieutenant Governor Kinder's suit contends that the law's individual insurance mandate is unconstitutional, the law's expansion of Medicaid could force Missouri to raise state taxes, and the law improperly alters state officials' compensation by changing their health care plan. The **11<sup>th</sup> U.S. Circuit Court of Appeals** recently rejected the law's legality, while the **3<sup>rd</sup>** and **6<sup>th</sup> U.S. Circuit Courts of Appeals** have upheld it ([Kaiser Health News, 8/24](#)).
- **Four States Form Prescription Drug Abuse Task Force:** Ohio, Kentucky, Tennessee, and West Virginia have formed a task force to combat prescription drug abuse through increased enforcement, treatment, and prevention activities. Under the Interstate Prescription Drug Task Force, each state will maintain its own prescription drug monitoring program (PDMP) data but share it with other states upon request. The task force will focus on treatment, law enforcement, education, and monitoring. Groups of experts will devise policy recommendations for each focus area by this fall ([WFPL, 8/25](#)).
- **Treasury Department Issues Proposed Rules Governing Health Reform's Premium Tax Credit Eligibility:** On August 17, the **U.S. Department of the Treasury** issued [proposed rules](#) outlining eligibility for health coverage premium tax credits. Established under the national health care reform law, the credits are available to individuals earning between 100 and 400 percent of the federal poverty level (FPL) who are ineligible for public coverage and do not have access to affordable employer-sponsored coverage. Federal officials will accept public comment on the rules through October 31 ([Kaiser Health News, 8/24](#)).

## Studies Released

- **RWJF Finds Medicaid and CHIP Improve Child Enrollment Efforts:** On August 16, the **Robert Wood Johnson Foundation** (RWJF) released a [report](#) finding that Medicaid and the Children's Health Insurance Program (CHIP) are improving health care enrollment efforts, increasing the participation rate for eligible children from 82.1 percent to 84.8 percent between 2008 and 2009. Over that period, the number of eligible children without insurance declined by 340,000. However, in 2009, a total of 4.3 million remained uninsured but eligible for coverage through the programs. The authors determined that the program participation rate for eligible children increased from 82.1 percent to 84.8 percent between 2008 and 2009. The report attributes the increased rate to state and federal enrollment improvement policies ([RWJF, 8/16](#); [Kaiser Health News, 8/19](#)).
- **NBGH Finds Large Employers Anticipate 7.2 Percent Health Cost Increase in 2012:** On August 18, the **National Business Group on Health** (NBGH) released a survey of large employers, finding that they anticipate a health cost increase of 7.2 percent in 2012, a slight decrease from the 7.4 percent increase in 2011. Over 50 percent of respondents reported plans to shift health costs to employees through higher health premium contributions, while 39 percent plan to increase in-network deductibles.

In addition, nearly 25 percent expect to increase out-of-pocket (OOP) spending limits and out-of-network deductibles ([NBGH, 8/18](#); [The Hill, 8/18](#); [Kaiser Health News, 8/19](#)).

- **Commonwealth Fund Suggests COBRA Subsidies as Stopgap Measure Before 2014:** On August 24, the **Commonwealth Fund** released a [brief](#) recommending that Congress reenact COBRA premium subsidies through 2014. Offered through August 2011 under the **American Recovery and Reinvestment Act (ARRA)**, the subsidies cover 65 percent of unemployed individuals' COBRA premiums. The authors found that, from 2008 to 2010, 72 percent of individuals who became uninsured after losing their job decided to forgo needed health services due to costs; in contrast, only 42 percent of those who maintained health coverage after becoming unemployed decided to forgo coverage. Citing the high cost of current individual market health plans, the brief suggests that Congress offer subsidized COBRA coverage until health exchanges become operational in 2014 ([Kaiser Health News, 8/24](#); [Commonwealth Fund, 8/24](#)).

### **Around the Hill: Hearings on Health Financing**

The House and Senate are in recess for the remainder of August but will hold regular pro forma sessions. The Senate will resume legislative business on September 6 and the House will do so on September 7.