Assessing the Policy Environment
Updates from the Federal Level

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New England Alliance for Children’s Health
2012 Summit
November 14, 2012
Health reform advocates had four wishes for 2012
Please let the Super Committee not destroy Medicaid and CHIP
Please let the Supreme Court uphold the Affordable Care Act
Please let us have an election where supporters of health care get elected.
Please let us get through the fiscal cliff with Medicaid still in tact
The Super Committee failed and we got Sequestration
Sequestration exempted Medicaid, CHIP, subsidies in the ACA, and many other programs for low-income people.

Children’s health care programs are largely protected, but many other children’s programs are, unfortunately, impacted.

Goes into effect on January 1, 2013
The Supreme Court (mostly!) upheld the Affordable Care Act
The Supreme Court upheld the Affordable Care Act but the Medicaid expansion effectively became a state option.

SCOTUS Ruling

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NEW ENGLAND ALLIANCE FOR Children’s Health
HOW WE FARED: WISH #3

Voters sent pro-ACA elected officials to DC and State Legislatures
President Obama was re-elected as President of the United States.
Democrats control the Senate 54 – 45, with 1 new Independent likely to caucus with the Dems

Republicans control the House 240-190 (5 undecided)
Senate:

- 8 Democrats
  - New: Murphy (CT), Warren (MA)
  - Returning: Blumenthal (CT), Kerry (MA), Shaheen (NH), Whitehouse (RI), Reid (RI), Leahy (VT)

- 2 Independents
  - New: King (ME) expected to caucus with the Dems
  - Returning: Sanders (VT) caucuses with the Dems

- 2 Republicans
  - Returning: Collins (ME), Ayotte (NH)
House:

- 22 Democrats
- Shea-Porter (NH) elected after a brief break
- New: Esty (CT), Kennedy (MA), Kuster (NH)
**Governors:**

- **4 Democrats**
  - **New:** Hassen (NH)
  - **Returning:** Malloy (CT), Patrick (MA), Shumlin (VT)

- **1 Independent**
  - **Returning:** Chafee (RI)

- **1 Republicans**
  - **Returning:** LaPage (ME)
State Legislatures:

- 5 controlled by Democrats
  - **New**: ME (two chamber switch)
  - **Returning**: CT, MA, RI, VT

- 1 split
  - NH – Democrats newly control the House, Republicans control the Senate
Obama re-election = ACA safe from repeal

Local New England elections = region well positioned to implement the ACA

There is an impact on kids in relation to implementation..
1. **Medicaid expansion** will increase children’s coverage by covering parents & through the “welcome mat effect”
2. Medicaid payment bump will increase rates for both pediatric primary care and pediatric specialties in 2013 & 2014.
3. CHIP extended by the ACA
(appropriated through 2015, and authorized it through 2019)
4. Essential Health Benefits – how well will they meet children’s needs?

- Small group plan not designed for kids
- Dental benefits are different by state—some are not very comprehensive (e.g., only preventative and only up to age 12)
- Not the last word, need to prepare for 2016
5. Exchanges – will help kids between CHIP eligibility-400% FPL
Medicaid and other health care programs are protected during the fiscal cliff debate

HOPEFULLY?
At the end of December:

- Bush tax cuts expire
- Sequestration takes effect
- Doc fix must be addressed
- Debt ceiling must be raised
- Other issues that must be dealt with before year-end
Fiscal Cliff: Lame Duck Activity

- Framework for deficit reduction
  - Targets for revenue increases & spending cuts
  - Actual policy cuts developed in 2013

- Large target for spending cuts will not leave us with room to protect Medicare and Medicaid
Fiscal Cliff: Addressing Spending Cuts

Reduce health spending

Can not have all 3

Beneficiaries are protected

No changes in payment or delivery
Our goal is to make sure the cure for health care isn’t worse than the disease

- No structural changes to eligibility, benefits, or cost-sharing
- No cost-shifting onto states
Medicaid Cuts: It Could be (a lot) Worse

- Sequester = $0
- 2013 Obama budget = $55 billion in cuts over ten years
- Obama/Boehner = $110 billion in cuts over ten years
- House Republican budget = $750 billion in cuts over 10 years
Our Wish for You:
Get Engaged on the Federal Debate
What You Can Do: Meet With Elected Officials

- There are new elected officials – and new opportunities – in every state

- Meet with your elected officials – at home and DC

- Never assume an elected official is fully up-to-speed on health care issues – help educate them about the importance of Medicaid
What You Can Do: Engage Your Coalitions

- Stories
- Sign-on letters
- Postcards
- Call-in days
- Group meetings
Fiscal Cliff: Key Talking Points

• Low deficit reduction targets

• No structural changes to Medicaid

• No cost-shifting to states or beneficiaries (because of the impact on access to care and the impact on Medicaid expansion)

• Newly developed enforcement mechanism must exempt Medicaid and low-income programs like in the past
Now’s the time!