

Assessing the Policy Environment Updates from the Federal Level

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*New England Alliance for Children's Health
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LOOKING BACK ON 2012

Health reform
advocates had
four wishes
for 2012



LOOKING BACK ON 2012: WISH #1



Please let the Super
Committee not
destroy Medicaid
and CHIP

LOOKING BACK ON 2012: WISH #2



Please let the
Supreme Court
uphold the
Affordable Care Act

LOOKING BACK ON 2012: WISH #3



Please let us have
an election where
supporters of health
care get elected

LOOKING BACK ON 2012: WISH #4



Please let us get through the fiscal cliff with Medicaid still in tact

HOW WE FARED: WISH #1

The Super Committee failed
and we got Sequestration

Sequester

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

HOW WE FARED: WISH #2

The Supreme Court (mostly!)
upheld the Affordable Care Act

SCOTUS Ruling

The Supreme Court upheld the Affordable Care Act but the Medicaid expansion effectively became a state option

HOW WE FARED: WISH #3

Voters sent pro-ACA
elected officials
to DC and State Legislatures

Election Results: United States

President Obama was re-elected as
President of the United States



Election Results: 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)

Election Results: New England

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)

Election Results: New England

House:

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

Election Results: New England

Governors:

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

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

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

Election Results: New England

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

ACA Implementation

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..

ACA Implementation: Key Provisions for Kids

1. **Medicaid expansion** will increase children's coverage by covering parents & through the "welcome mat effect"



ACA Implementation

2. Medicaid payment bump
will increase rates for both
pediatric primary care and
pediatric specialties in 2013 &
2014



ACA Implementation

3. CHIP extended by the ACA
(appropriated through 2015,
and authorized it through 2019)



ACA Implementation

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

ACA Implementation

5. Exchanges – will help kids between CHIP eligibility-400% FPL

HOW WE FARED: WISH #4

Medicaid and other health care programs are protected during the fiscal cliff debate

HOPEFULLY?

Fiscal Cliff

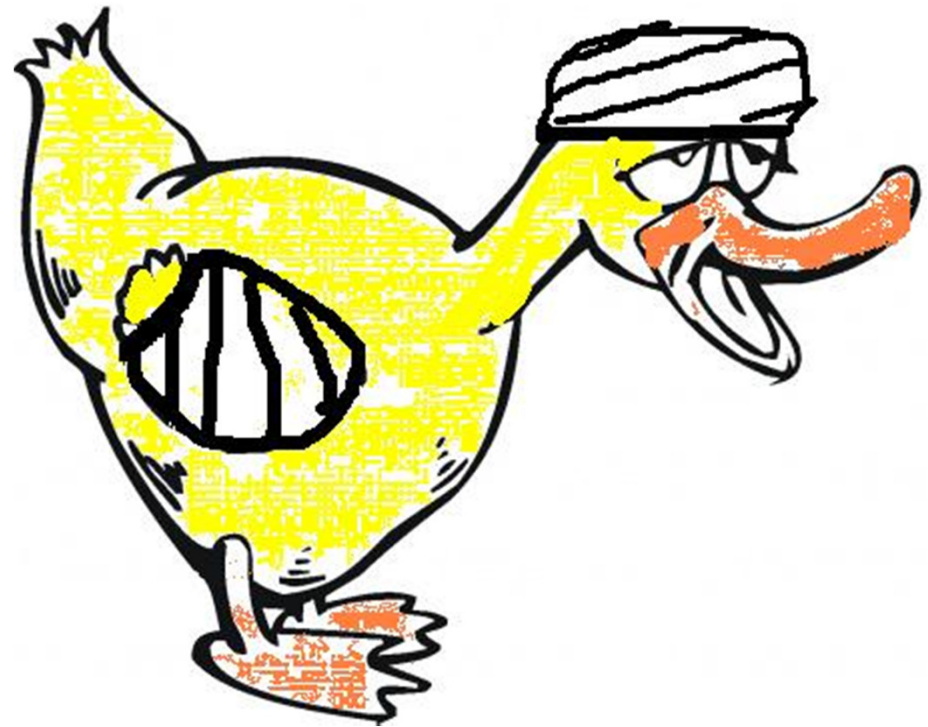
At the end of December:

- 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

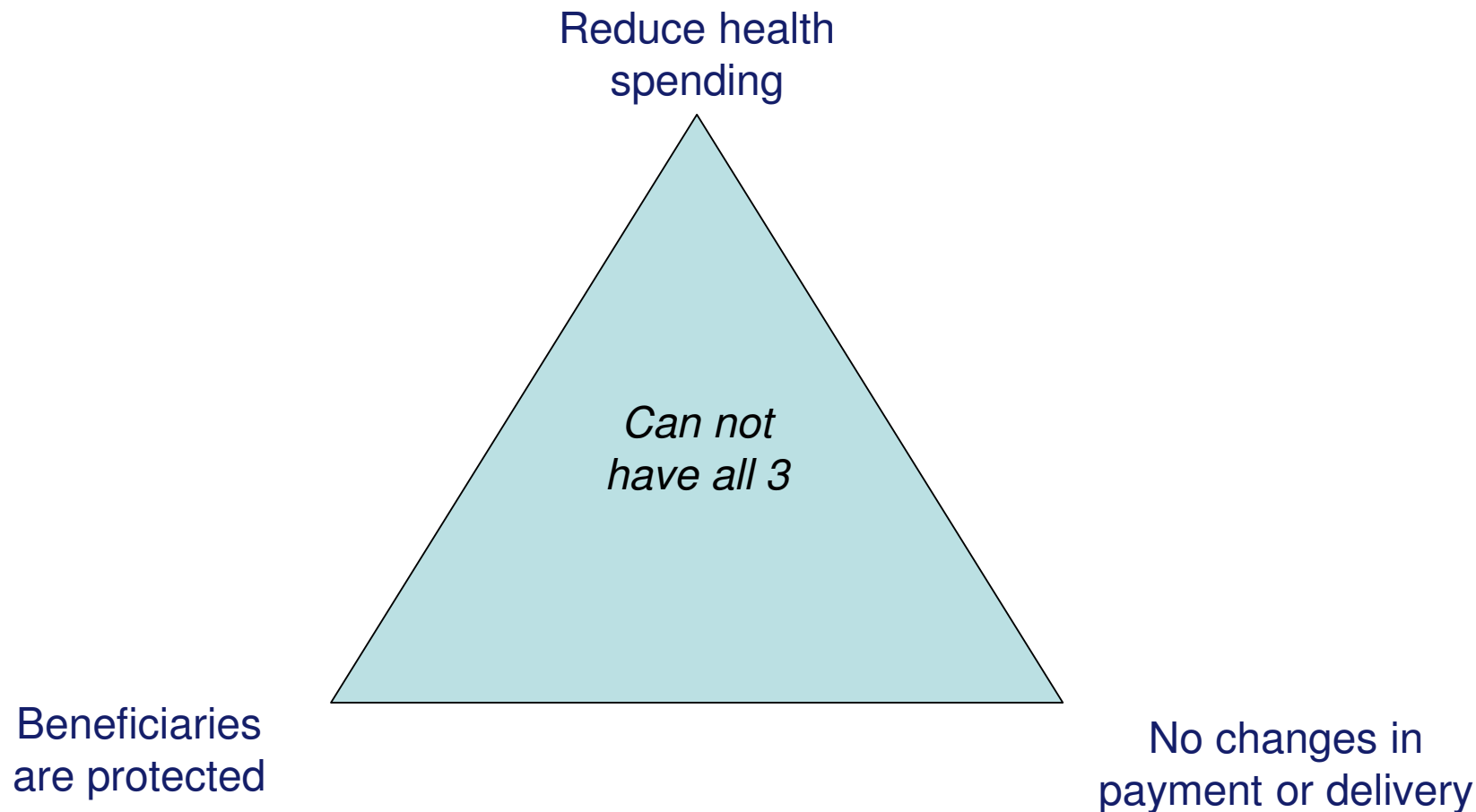


Fiscal Cliff: Lame Duck Activity

- 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



The Health Care Cure

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



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

What You Can Do

Now's the time!