NOTEWORTHY

News on the Debt Ceiling

Treasury Secretary Jack Lew warned Congressional leaders that he will exhaust emergency borrowing measures "no later than October 17," leaving him with less than $30 billion on hand to pay the nation's bills. In a letter sent to all members of Congress, Secretary Lew urged immediate action to raise the federal debt limit, which now stands at $16.7 trillion.

Without additional borrowing authority, Secretary Lew warned that cash on hand "would be far short of net expenditures on certain days, which can be as high as $60 billion.

Technical Glitches On Enrollment

With only a few days until open enrollment begins, the Affordable Care Act's insurance exchanges are facing a number of technical glitches. As states begin to connect with the federal exchange, issues such as premium tax credit calculations or Medicaid eligibility determinations begin to arise. State Executive Directors have stated that initial eligibility determination will be done off-line if necessary.

Inside this issue

- Senate Votes to Begin Consideration of Anti-ACA Stopgap Funding Measure
- Dr. Jon Perlin Testified at Senate Health Committee Hearing
- CMS Says Basic Health Program Cannot Be Used For Program Administration
- CMS Reports On Stage 1 Meaningful Use in First Year of Medicare EHR Program
- Unique Identifier for Medical Devices
- Increase in Pay for Home Health Aides
- Tennessee: Revenue Report

FEDERAL

Senate Votes to Begin Consideration of Anti-ACA Stopgap Funding Measure

The Senate has voted unanimously (100-0) to invoke cloture (a procedural motion to end the debate) and begin consideration of House-passed stopgap legislation (HJ Res 59) to continue, at existing levels, funding for government operations through December 15, 2013. This legislation also contains language that would eliminate federal funding to implement the Affordable Care Act (ACA).

The Continuing Resolution (CR) is now open to amendments that could remove the defunding language, or repeal the medical device tax, or even a delay in the implementation of the ACA itself. Unquestionably the Senate will want to move as quickly as possible to send a bill back to the House that they feel will pass since enrollment begins October 1 for the exchange, and funding for all government operations will cease on, or prior to, October 17.
Additionally, a new report from PricewaterhouseCooper’s Health Research Institute notes that Connecticut and Nevada are delaying non-critical functions of their exchanges, such as the ability for enrollees to update their coverage and virtual web site help.

The federal government is not without its issues on exchange functionality. CMS confirms that for a person who applies for Medicaid coverage through the exchange, their application would not be electronically transferred to the state Medicaid program until November. However, on October 1, if a person applies for Medicaid directly through the state Medicaid program, the state can immediately process the application.

The application that is used to apply for Medicaid, regardless of whether it is submitted to the exchange or to the state Medicaid program, is the same document that will be used by those applying for exchange coverage. CMS spokesperson Brian Cook says, “Starting on October 1, HHS and states will be ready for individuals to apply for and receive eligibility determinations for expanded Medicaid coverage that will begin on January 1.”

HHS Reports On Health Plan Choice, Premiums in 48 State Marketplaces

Individuals and families may be able to choose between 6 and 169 qualified health plans in 2014 in the 36 states with a federally facilitated or supported health insurance marketplace, or exchange, the Department of Health and Human Services (HHS) has reported. On average, eight different health insurance companies are expected to participate in each federally facilitated exchange, with premiums generally lower in states with more insurers participating, the

Dr. Jon Perlin Testified at Senate Health Committee Hearing

Dr. Jon Perlin, M.D., Ph.D., Chief Medical Officer, and President of HCA’s Clinical and Physician Services, testified at the Senate Health, Education, Labor and Pensions Committee hearing regarding the reduction of Healthcare-Associated Infections (HAIs) on September 10. Dr. Perlin stressed that using a successful “Learning Health System” is critical for treating and preventing sepsis and MRSA.

A "learning health system," used as a platform for a recently completed clinical trial to reduce MRSA (Methicillin-resistant Staphylococcus aureus), is critical to improve the understanding, prevention, and treatment of sepsis, according to Jonathan B. Perlin, M.D., Ph.D., HCA's Chief Medical Officer and President of HCA's Clinical and Physician Services. A "learning health system" is defined by the Institute of Medicine (IOM) as a system committed to both generating and using scientific evidence.

Dr. Perlin encapsulated the program and results of the REDUCE MRSA initiative that HCA participated in collaboration with the Centers for Disease Control and Prevention (CDC), using the learning health system platform. The question was which of three alternative approaches was best to prevent MRSA infection in ICU patients. Instead of taking place in a laboratory, it was implemented by nurses and infection prevention professionals in 74 intensive care units (ICUs) at 43 HCA-affiliated hospitals across the country.

The study revealed that "universal decolonization" - using antimicrobial soap and nasal ointment as ICU patients were admitted - reduced all bloodstream infections, including those caused by MRSA, by 44 percent.

"The answer sets a new standard for infection prevention," Dr. Perlin observed. For more on his testimony and the study please visit the links in this article above.

CMS Says Basic Health Program Cannot Be Used For Program Administration

Federal funding given to states operating a Basic Health Program (BHP), a voluntary option designed to mitigate "churning" between Medicaid and the exchange, cannot be spent on BHP program administration or administrative costs for any other program, the Center for Medicare and Medicaid Services (CMS) writes in a long awaited proposed rule implementing the ACA provision.
agency said.

In 48 states, including 12 implementing their own exchange, monthly premiums for the second-lowest-cost silver plan average 16% below an HHS-derived Congressional Budget Office projection of $392. After tax credits, a family of four in Texas with income of $50,000, for example, could pay $282 per month for a plan at this tier, while a 27-year-old Texan could pay $145, HHS said. The agency estimates that 56% of uninsured Americans may qualify for premiums of less than $100 per month after tax credits. The findings could change once all of the plan data is available and HHS completes its review.

The Basic Health Program will be available to citizens who aren't eligible for Medicaid but might not be able to afford health coverage for the new insurance exchanges. Legally present non-citizens who qualify for the exchanges and those that would otherwise qualify for Medicaid may also enroll. For more details go to: [BHP](#)

**CMS Reports On Stage 1 Meaningful Use in First Year of Medicare EHR Program**

About 17% of eligible hospitals and 10% of eligible professionals (EP) successfully attested to Stage 1 meaningful use of electronic health records under the Medicare EHR Incentive Program in 2011, the first year of the program, according to a [report](#) released by the Centers for Medicare & Medicaid Services (CMS). This equates to 833 hospitals and 57,808 EPs. The report analyzes performance by state and specialty type. Stage 1 criteria for eligible hospitals included 14 core measures plus a choice of five out of 10 menu measures. CMS also indicated that a report on 2012 is forthcoming.

**Unique Identifier for Medical Devices**

The Food and Drug Administration has issued a [final rule](#) requiring most medical devices distributed in the U.S. to carry a unique device identifier within seven years. Class III (or high-risk) devices must comply by September 24, 2014 and Class I devices by September 24, 2020. Devices intended for reuse must eventually bear a permanent UDI marking on the device, beginning with Class III devices in 2016. FDA also will create and administer a publicly searchable database to serve as a reference catalog for every device with an identifier. The rule and draft [guidance](#) on the database will be published in the September 24 Federal Register. For more information, visit [www.fda.gov](http://www.fda.gov).

**Increase in Pay for Home Health Aides**

Labor officials [announced](#) a [final rule](#) to extend minimum wage and overtime protection benefits to nearly two million home health aides nationwide, which will take effect on January 1, 2015. While the Department of Labor announcement could assist more home health care aides' financially, it could potentially be taking more out of the federal government's coffers. Supporters of
the decision, including several labor unions, said it was long overdue and will ensure an adequate supply of home health care workers in the coming years. Critics of the move say it could cost the federal government $2 billion in additional health care spending over the next 10 years.

STATE

Tennessee: Revenue Report

While revenue collections exceeded August 2012 collections by $24.1 million, Tennessee revenue fell short of budget estimates. For the first month of the state’s fiscal year, revenue collections came in at $838.9 million. The growth rate for August was 2.96%

The budgeted revenue estimates for 2013-2014 are based on the State Funding Board’s consensus recommendation of December 19th, 2012 and adopted by the first session of the 108th General Assembly in April 2013. They are available on the state’s website at: http://www.TN./Revenues.shtml. Collection tables can be viewed at: TABLES