

Health Law and Policy Update:

May 4, 2012

This week's updates

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What's new?

Exchange extends deadline for advisory group nomination

The Colorado Health Benefits Exchange will accept nominations for advisory groups until 5pm on Monday, May 7th. Applications and information about the advisory groups may be found on the [COHBE website](#).

Governor to sign Hospital Payment Assistance Program into law on Monday

Governor John Hickenlooper will sign Senate Bill 12-134, the Hospital Payment Assistance Program, into law next Monday, May 7th. The bill, which is sponsored by Senator Irene Aguilar, D-Denver, and Representative Cindy Acree, R-Aurora, and heavily supported by CCLP, gives uninsured patients the opportunity to understand and responsibly pay their hospital bills, without the fear of being sent to collections or going into bankruptcy. Senator Aguilar and Representative Acree were successful in bringing together a wide group of stakeholders, including consumers and hospitals, and garnering broad based bipartisan support for the bill. The bill represents a major advancement in protections for uninsured Coloradans and we hope will reduce the burden of hospital debt for low income individuals and families.

The Governor will sign the Hospital Payment Assistance Program into law on the West Steps of the Capitol on Monday, May 7th at 1:00 p.m., immediately after signing Colorado's budget into law. CCLP invites supporters to attend and celebrate the hard work done by Senator Aguilar and Representative Acree to help low income individuals manage and pay their hospital bills.

Learn more about the Hospital Payment Assistance Program at [CCLP's Policy Matters blog](#).

New CMS rules provide transparency for Medicaid and CHIP waivers.

On April 27, 2012, a new set of federal rules went into effect that will improve public input and transparency for Section 1115 Medicaid and CHIP waivers. Section 1115 of the Social Security Act allows states to apply to the Centers for Medicare and Medicaid Services for program flexibility to test new and innovative ways of financing and delivering Medicaid and CHIP services. Many states have expanded eligibility for Medicaid and CHIP through Section 1115 waivers. For example, Colorado limited its expansion to Adults without Dependent Children (AwDC) Medicaid expansion to 10,000 people by using an 1115 waiver. Without the waiver Colorado would not have been able to expand eligibility to any AwDC, since the state does not have sufficient funding to cover everyone in the eligibility group. See last week's [Health Law and Policy Update](#) for more information about the AWDC expansion.

The 1115 waiver development process previously lacked meaningful opportunities for consumer and stakeholder input and transparency. Under the new rules, however, states must provide a thirty day public notice and comment period and must provide a comprehensive description of the proposed waiver "that contains a sufficient level of detail to ensure meaningful input from the public." States must establish a website where materials will be posted and public hearings will be announced. At least two public hearings (including public a public comment period) must be scheduled for each waiver proposal.

In addition to the state notice and comment requirements, the new rules require a thirty day federal comment period following the waiver's submission to the federal government. Additionally, the federal government may not make a decision on the pending waiver until at least 45 days after the state submits the waiver for federal approval. This time period will allow adequate time for public input.

Finally, CMS launched a new [website](#) that provides a comprehensive list of all active, expired and pending waivers.

A [summary](#) of the new rules is available from the Kaiser Family Foundation.

Colorado community health centers receive grants for capital improvements

The U.S. Department of Health and Human Services [announced](#) on Tuesday the distribution of \$728 million in grants to community health centers across the country. Colorado community health centers will receive \$22.5 million. The grants come through two programs for community health centers, one for longer-term projects to improve facilities and services at existing centers, and the other for more immediate facility and equipment needs. In Colorado, the Colorado Coalition for the Homeless, Denver Health and Hospital Authority, Sunrise Community Health, and Plan de Salud del Valle received a total of about \$20 million dollars from the [Building Capacity Grants](#). Peak Vista, Metro Community Provider Network, Sunrise Community Health, Plan de Salud del Valle, Clinica Campesina Family Health Services and Plains Medical Center all received Immediate [Facility Improvement Grants](#). The Colorado Community Health Network [reports](#) that while these funds will support specific construction projects in underserved areas, the money does not go to help hire staff or pay the costs of providing health care.

Watching the Federal Budget

House Energy and Commerce Committee votes to eliminate Medicaid/CHIP performance bonuses

Last week, the House Energy and Commerce Committee voted to eliminate bonuses for states that streamline their Medicaid and CHIP eligibility procedures and enroll more low income children in the programs. This is the latest in a series of steps taken by the committee to meet savings requirements in the proposed Ryan budget by reducing health care coverage. The committee has also taken recent votes to defund health insurance exchanges and remove the maintenance of effort requirement, which prevents states from dropping Medicaid and CHIP clients, from the Affordable Care Act.

Colorado is one of twenty-three states that have received performance bonuses. In Fiscal Year 2011, Colorado received a bonus payment of over \$26 million. Colorado qualified for the bonus by taking steps to simplify the application and renewal process for Medicaid and CHIP. This included the liberalization of asset requirements, elimination of an in-person interview, using the same form for applications and renewals, implementation of presumptive eligibility, and the creation of premium assistance subsidies. The federal proposal to eliminate these incentive payments to states could result in fewer eligible children having access to health insurance through Medicaid and CHIP.

Analysis of the proposals to [eliminate bonus payments](#), [defund exchanges](#), and [remove the maintenance of effort requirement](#) can be found from the Center on Budget and Policy Priorities.

A [chart](#) detailing the performance bonuses received by all qualifying states is available from Medicaid.

Advancing the debate

High number of preterm births reported in the United States

This week, the World Health Organization, along with several partners, released [a report](#) entitled "Born Too Soon: The Global Action Report on Preterm Birth". The report compared preterm birth statistics from countries around the world. The United States did not fare well, displaying preterm birth statistics similar to those of developing countries. The U.S. had a 12% rate of preterm births, greater than Western Europe, Scandinavia, or Japan. Of the 1.2 million pre-term births that occur in high-income regions of the world, 42% occur in the U.S. While the U.S. has a high rate of preterm births, it does an excellent job of

keeping infants that are born preterm alive and both the U.S. and the United Kingdom have significantly reduced neonatal mortality rates through improvements in newborn care.

According to the report, high numbers of pregnant teenagers and women over 35 giving birth were cited as two of the major factors contributing to the United States' preterm birth rate. Many women in the U.S. also have other risk factors for preterm birth such as obesity, high blood pressure, diabetes, and tobacco use. Women who lack health insurance are also less likely to see a doctor early in their pregnancy, when many of the problems that lead to preterm birth can be addressed.

In 2009, Colorado had a preterm birth rate of 11.3%, as [reported](#) by the Kaiser Family Foundation. This compared to a national preterm birth rate of 12.2% in the same year.

[Coverage](#) of the World Health Organization report can be found from the Denver Post.