POLICY BEAT
Weekly Digest
June 7th – 11th, 2010

This Week in Health Policy...
• $250 “Doughnut Hole” Rebate Checks
• Hospital Readmissions
• Implementing Health Reform
• Final Call for Survey Responses

Office of Health Policy and Government Relations
On Tuesday, President Obama and Secretary Sebelius hosted a town hall for Senior citizens to highlight Medicare-specific provisions in the recently enacted health reform law. Seniors enrolled in Medicare Part D who reach the ‘doughnut hole’ in prescription drug coverage will soon be receiving a $250 rebate check, intended to ease the financial burden of prescriptions. The rebate checks will be mailed starting June 10, 2010. To learn more about the $250 rebate check, read the Centers for Medicare & Medicaid Services brochure or visit www.Medicare.gov.

It is important that your Medicare patients who are eligible to receive the rebate check know the basic facts:

• Medicare will automatically send a check once a beneficiary reaches the Medicare Part D coverage gap.
• Seniors do not have to fill out a form or make any phone calls to receive the rebate.
Legal Challenges to Health Law Underway in 33 States

The Patient Protection and Affordable Care Act was signed into law on March 23, 2010. Almost immediately, 13 states filed a joint lawsuit in a U.S. District Court in Florida, in an effort to block key provisions of the legislation, particularly the mandate for individuals to purchase health insurance. Shortly after, 7 more states formally signed on as co-plaintiffs.

List of States Attorneys General or Governors with announced plans to file lawsuits opposing health provisions:


Virginia filed a separate lawsuit, and in March became the first state to pass legislation that would nullify the individual mandate provision for residents of the state. Idaho, Utah, and Illinois have since passed similar legislation. 33 states are considering nullification legislation aimed at parts of the recently enacted law.

The National Conference of State Legislatures provides extensive resources on the legal challenges underway, including a a state-by-state table of current legislation and a map of states opposing the health reform law. Click here to access the site.
Scope of the Problem:

- A significant number of Medicare hospitalizations result in readmission.
- In 2005, 6.2% percent of Medicare patients who had been discharged from a hospital were rehospitalized within 7 days; and 17.6% were rehospitalized 30 days.
- In 2005, 84% of 7-day readmissions and 76% of 30-day readmissions were potentially preventable.

How hospitals can reduce readmissions:

- Provide better, safer care during inpatient stay
- Attend to patients medication needs at discharge
- Improve communication with patients before and after discharge

### POTENTIALLY PREVENTABLE HOSPITAL READMISSION RATES

<table>
<thead>
<tr>
<th>Patients readmitted to hospital within:</th>
<th>7 days</th>
<th>15 days</th>
<th>30 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate of potentially preventable readmissions</td>
<td>5.2%</td>
<td>8.8%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Spending on potentially preventable readmissions</td>
<td>$5 billion</td>
<td>$8 billion</td>
<td>$12 billion</td>
</tr>
</tbody>
</table>

In an article published in the June issue of *Health Affairs*, researchers describe what will be required of states under the new health reform law. States have a range of activities to carry out primarily:

- Expanding Medicaid;
- Creating insurance exchanges;
- Establishing new regulations for insurance companies.

The article details the obstacles and opportunities states face during implementation. The authors contend that states will need help from the federal government, stakeholders, and an infrastructure of state-to-state support in order to carry out the activities of implementation. The study concluded that state implementation practices will largely determine whether the health reform law successfully expands affordable coverage and access to health care services nationwide.

Click [here](#) to access the article.
What You Can Do

• Help your Medicare patients learn more about the ‘doughnut hole’ rebate checks by sharing the information included in the CMS brochure.

• Final call for survey responses. Please assist the NMA Office of Health Policy by participating in a brief survey examining member experience with establishing an electronic medical record (EMR) system. Click here to complete the survey.

• Register to attend the 2010 National Medical Association Annual Convention & Scientific Assembly in Orlando, Florida, July 31 – August 4, 2010. Make plans to arrive in Orlando by the morning of July 31st in order to attend this year’s Mazique Symposium.

For the latest health policy news and information, visit our page NMA Health Policy Updates.

Continue to visit our Haiti Earthquake Relief page for information on relief efforts.


