

Washington DC Update

Health Care Reform Legislation Signed Into Law

After months of debate, right before the Congress adjourned for the annual two week spring district work period, work finally was completed on health care reform legislation. It took two separate pieces of legislation that the President has signed into law. The Congressional Budget Office (CBO) estimates that 32 million people will gain coverage by 2019 through the new legislation.

Just when it seemed as if agreement on health care legislation was not possible, agreement was reached in the House to approve the bill that the Senate passed on Christmas Eve, December 24, 2009. On March 21st, the House

passed H.R. 3590 – the Patient Protection and Affordable Care Act by a vote of 219 to 212. All Republicans and 34 Democrats voted against the bill.

Later that evening, the House also passed H.R. 4872, the Health Care and Education Reconciliation Act of 2010 by a vote of 220 to 211. All Republicans and 33 Democrats voted against this bill that included amendments to H.R. 3590 which were promised to ensure the necessary House votes. The reconciliation bill also included major provisions of the Student Aid and Fiscal Responsibility Act. The Senate passed this bill several days later but made minor revisions

requiring the bill to be passed one more time by the full House.

Starting July 1, 2010, all new federal student loans will be made through a Direct Loan program, by private companies under performance-based contracts with the U.S. Department of Education. According to the administration, the use of the Direct Loan program will save an estimated \$61 billion over the next 10 years, reducing the federal budget deficit by at least \$10 billion in that time. The savings will help offset the cost of the health care legislation and also be used to expand Pell Grants and invest \$2 billion in community colleges over the next four



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Unfortunately, the Early Learning Challenge Grant (ELCG), contained in the House passed Student Aid and Fiscal Responsibility Act, was not included in the final reconciliation bill. Much to the disappointment of the early learning community, budget and parliamentary rules for use of reconciliation necessitated that the language be dropped. The administration has announced it is working to find other legislative vehicles to enact the ELCGs.

Since the President signed both bills into law, a number of states' Attorneys General have filed lawsuits to stop the new legislation stating that the Congress has exceeded its authority in requiring individuals to purchase health insurance, or pay a fine if they fail to do so. The administration maintains that the legislation is based on well-established precedent since the failure to obtain health insurance has a substantial effect on the national economy with billions of dollars

lost every year because of the cost of treating uninsured individuals.

Resources for the New Health Care Reform Legislation The following are selected resources that provide summaries and important implementation information on the impact of the health reform legislation:

An important component of the new legislation is the new Home Visitation Program that includes \$1.5 billion in mandatory funding to provide state grants to provide quality home visiting services. **The Center for Law and Social Policy (CLASP)** has developed a summary of the Home Visitation Program. The summary is located at: <http://www.clasp.org/admin/site/publications/files/3.31.10-Home-Visiting-detailed-chart-FINAL.doc.pdf>

The **House Committees on Ways and Means, Energy and Commerce, and Education and Labor**, the committees responsible for health care reform have

released a timeline of when specific health reform provisions become effective. It is located [here](#). A summary of the legislation has also been released. Selected provisions include:

Quality, Affordable Health Care For All Americans

- Bars insurance companies from discriminating based on pre-existing conditions, health status, and gender.
- Provides Americans with better coverage and the information they need to make informed decisions about their health insurance.
- Creates health insurance exchanges – competitive marketplaces where individuals and small business can buy affordable health care coverage in a manner similar to that of big businesses today.
- Offers premium tax credits and cost-sharing assistance to low and middle income Americans, providing families and small businesses with the largest tax cut for health care in history.

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- Ensures access to immediate relief for uninsured Americans with pre-existing conditions on the brink of medical bankruptcy.
- Creates a reinsurance program in support of employers who offer retirees age 55-64 health coverage.
- Invests substantially in Community Health Centers to expand access to health care in communities where it is needed most. Empowers the Department of Health and Human Services and state insurance commissioners to conduct annual reviews of new plans demanding unjustified, egregious premium increases.

Key Investments In Medicaid and Children's Health

- Expands eligibility for Medicaid to include all non-elderly Americans with income below 133 percent of the Federal Poverty Level (FPL).
- Replaces the so-called "Cornhusker" deal with fair assistance for all states to help cover the costs of these new Medicaid popula-

tions.

- Maintains current funding levels for the Children's Health Insurance Program (CHIP) for an additional two years, through fiscal year 2015. Increases payments to primary care doctors in Medicaid.

Community Living Assistance Services and Support (CLASS)

Makes long-term support and services more affordable for millions of Americans by providing a lifetime cash benefit that will help people with severe disabilities remain in their homes and communities. CLASS is a voluntary, self-funded, insurance program provided through the workplace. For those whose employers participate, affordable premiums will be paid through payroll deductions. Participation by workers is entirely voluntary. The Congressional Budget Office confirms that the program, which has been revised from earlier versions, is actuarially sound.

Another set of helpful re-

sources has been released by the **Commonwealth Fund**. Noting that many Americans will feel the effect of the reform this year, while some changes will be implemented over the next decade, the Fund has published several timelines that can be found at the following links.

[Health Care Reform Implementation: Health Insurance Provisions](#)

[Health Care Reform Implementation: System and Delivery Reform Provisions](#)

[Health Care Reform Implementation: Revenue Provisions](#)

The **Kaiser Family Foundation** has published:

A summary of the legislation at <http://www.kff.org/healthreform/8061.cfm>

A timetable at <http://www.kff.org/healthreform/upload/80601.pdf>

The **Center for Budget Policy and Priority** has

developed a summary "Health Reform Package Represents Historic Chance to Expand Coverage, Improve Insurance Markets, Slow Cost Growth and



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Jobs Legislation Not Finished Before Spring Recess



In addition to engaging in intense negotiations on health care reform, the Congress has been working to reach agreement on jobs legislation. On March 10, the Senate passed the American Workers, State and Business Relief Act of 2010 (H.R. 4213) by a vote of 62-36. The Senate bill includes \$21 billion to extend the American Recovery and Reinvestment Act of 2009 (ARRA) enhanced federal medical assistance percentages (FMAP) fund. The original FMAP enhanced Medicaid match is scheduled to expire on December 31, 2010 but the Senate bill will extend enhanced FMAP funds until June 30, 2011. The Senate bill was

sent to the House for consideration. The House already had passed a jobs bill last fall that included the FMAP 6 month extension. The Senate bill also included extensions through December 2010 for Unemployment Benefits and COBRA health benefit subsidies scheduled to expire April 5, 2010. In order to avoid expiration of Unemployment Insurance, the House passed a 30-day extension of current provisions to give the House and Senate time to work out the differences in their two bills. The Senate was unable to pass this extension before the two week adjournment because of a lack of unanimous consent.

As a consequence, federal Unemployment Insurance benefits will expire April 5th. The Senate plans to complete work on the extension as soon as it returns on April 12th. A cloture vote to cut off debate is necessary before the bill can come to a vote.

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Reduce Deficits” that can be found at:
<http://www.cbpp.org/cms/index.cfm?fa=view&id=3126>

The **Georgetown University Health Policy Institute, Center for Children and Families**’ summary can be found at:

<http://ccf.georgetown.edu/index/cms-file-system-action?file=ccf%20publications/health%20reform/health%20reform%20summary.pdf>

The **Association of Maternal and Child Health programs** (AMCHP) summary entitled, “What the

Senate Health Reform Bill Means for Maternal and Child Health, In 22 Bullets!” is located at: <http://www.amchp.org/Advocacy/Home-Visitation/Documents/MCH%20Highlights%203%2018new.pdf>

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Child Nutrition Reauthorization Passes Senate Committee

Before the spring recess, the Senate Agriculture Committee marked-up bipartisan legislation to reauthorize the Child Nutrition Act. The Healthy, Hunger-Free Kids Act of 2010 reauthorizes federal child nutrition programs through FY 2015 and increases funding on child nutrition programs by \$4.5 billion over ten years.

The bill is expected to be considered by the full Senate after the spring break but it is not clear if enough support will be available to ensure 60 votes needed for passage. The bill reautho-

rizes for five years the meals programs, the special nutrition program for women, infants and children known as WIC, and the child and adult care feeding program.

The bill also requires a national study of child care centers and family or group day care homes to review nutritional quality of food provided to children in child care settings; the quality physical activity provided to children in child care settings; the quality of time spent in child care settings in sedentary activities; and an assessment of barriers

and facilitators to providing foods in child care settings that meet the most recent dietary guidelines; and to provide appropriate opportunities of physical activity for children in child care settings.

For a more complete summary of the bill and to review legislative language click here: <http://aq.senate.gov/site/legislation.html>

House Education and Labor Chairman George Miller (CA) is expected to mark up a bill before Memorial Day.



The **ITCA Legislative Committee** has a call on the 4th Monday of each month. If you are interested in participating, please contact the ITCA office.