To: ALL NAHU Members
From: Janice Kupiec
Washington Update
June 1, 2005

Health Care Coverage Options Database

NAHU unveiled the Health Care Coverage Options Database during a briefing on Capitol Hill May 19. The database provides information on state insurance laws, public and private health insurance programs, and additional information on federal health insurance programs. Information is available for all 50 states and the District of Columbia at www.nahu.org/consumer/healthcare/.

High-Risk Pool Funding

NAHU continues to support S. 288, sponsored by Senators Judd Gregg (R-NH) and Max Baucus (D-ND). The bill would provide states with start-up funding for high-risk pools and provide money to offset losses for those states with operating high-risk pools. The bill would extend provisions originally included in the Trade Adjustment Assistance Act of 2002.

Medicare Part D

The Centers for Medicare and Medicaid Services (CMS) will begin mailing Medicare prescription drug applications to low-income beneficiaries who qualify for additional financial assistance.

NAHU will hold a series of Web seminars beginning in July to provide additional education on the new prescription drug benefit. One seminar will focus on the impact the benefit will have on employers with eligible employees. Information will be available once the series is scheduled.

Long-Term Care

Representatives Nancy Johnson (R-CT) and Early Pomeroy (D-ND) introduced the Long-Term Care and Retirement Security Act on May 26. The bill creates an above-the-line tax deduction for the purchase of private long-term care insurance and allows long-term care insurance to be sold through section 125 plans. The Senate companion is expected to be introduced when Congress returns from its Memorial Day recess.

Discussions on long-term care partnerships continue and we anticipate legislation to be introduced in the next two weeks. Currently, states are unable to move forward with creating partnership programs for long-term care as a result of a federal impediment enacted in 1993.

Flexible Spending Accounts

The U.S. Department of Treasury issued notice 2005-42, which will allow employers to modify FSAs in order to extend the deadline for reimbursement from the accounts. The deadline for reimbursement can be extended by up to 2 1/2 months at the employer's

discretion. Legislation has been introduced into both the House and Senate to allow up to $500 to roll over to the following year; the bills are H.R. 1803 and S. 309. Here is a link to the notice from Treasury:
http://www.treas.gov/press/releases/reports/n0542.pdf.

Other News

The House is continuing its discussion on Medicaid reform. The House Energy and Commerce Committee is looking to reduce overall costs by $10 billion. The National Governors Association is expected to release its proposal to reform the program next month.

Representative John Shadegg (R-AZ) introduced H.R. 2355, the Health Care Choice Act of 2005. The bill would allow individuals to purchase coverage across state lines where a policy may be priced lower or offer varying degrees of benefits. The laws of the primary state would apply to the policy. NAHU has not yet taken an official position on this bill.

If you have questions about any of these issues please contact:

Janice Kupiec, Legislative Director of State Affairs, jkupiec@nahu.org
Janet Stokes Trautwein, Vice President of Government Affairs, at jtrautwein@nahu.org
Tom Bruderle, Vice President of Congressional Affairs, at tbruderle@nahu.org
Jessica Waltman, Legislative Director of Policy Research, at jwaltman@nahu.org;
John Greene, Legislative Director of Federal and Regulatory Affairs, at jgreene@nahu.org; Jennifer Boulware, Legislative Manager of Grassroots Initiatives, at jboulware@nahu.org
Megan Mamarella, Legislative Manager of State Affairs, at mmamarella@nahu.org

_____ Nahumembership mailing list
Nahumembership@mail.nahu.org http://mail.nahu.org/mailman/listinfo/nahumembership

---

No virus found in this incoming message.
Checked by AVG Anti-Virus.
Version: 7.0.322 / Virus Database: 267.4.1 - Release Date: 6/2/2005