

October 28, 2011

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## CMS SAYS 2012 MEDICARE PART B COST-SHARING LOWER THAN EXPECTED

The Centers for Medicare & Medicaid Services (CMS) has announced that the 2012 Part B premium will be \$99.90, lower than the \$106.60 the Medicare Trustees initially projected in May this year. The rates will be published in the November 1, 2011 *Federal Register*.

Monthly Part B premiums will increase slightly for the majority of people with Medicare, whose Part B premiums have been held at \$96.40 since 2008 because there has been no cost-of-living adjustment (COLA) increase in their Social Security checks. However, because there will be a COLA increase for Social Security recipients in 2012 – average of \$43.00 – the Part B premium will increase by \$3.50 to \$99.90 in 2012. The net gain for most seniors, after deducting the \$3.50 Part B premium from the \$43.00 COLA will be about \$39.50.

For those individuals who did have Part B premium increases in 2010 and 2011, new enrollees and higher-income Medicare beneficiaries, the premium will actually decrease by \$15.10 in 2012, from \$115 to \$99.90. Additionally, CMS said the Medicare Part B deductible will be \$140, a decrease of \$22.00 from 2011. CMS also announced modest increases in Medicare Part A monthly premiums as well as the deductible under Part A. Medicare Part A premiums will be \$451 for 2012, an increase of \$1.00 from 2011, and the deductible will be \$1,156 in 2011, an increase of \$24 from \$1,132 deductible in 2011. For Medicare Part A, which pays for inpatient hospital, skilled nursing facility, and some home health care, about 99 percent of Medicare beneficiaries do not pay a premium since they or their spouses have at least 40 quarters of Medicare-covered employment. CMS said the Medicare Part A changes are well below increases in previous years and general inflation. Click [here](#) to be directed to the CMS fact sheet on Medicare premiums and deductibles for 2012.

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## FROM THE ADMINISTRATION

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### Department of Health and Human Services

#### **HHS Announces New Incentives for Providers to Work Together through Accountable Care Organizations when Caring for People with Medicare**

The U.S. Department of Health and Human Services issued a final regulation regarding a new program designed to encourage primary care doctors, specialists, hospitals, and other health care providers to coordinate their care. These final rules on Accountable Care Organizations add to the menu of options for providers looking to better coordinate care for patients and will make it easier for providers to add high quality care and use health care dollars more wisely.

The two initiatives are the Medicare Shared Savings Program and the Advanced Payment model. The Medicare Shared Savings Program will provide incentives for participating health care providers who agree to work together and become accountable for coordinating care for patients. The Advance Payment model will provide additional support to physician-owned and rural providers participating in the Medicare Shared Savings Program who also would benefit from additional start-up resources to build the necessary infrastructure.

The Medicare Shared Savings Program rule is available [here](#).

The Advanced Payment solicitation is available [here](#).

Fact sheets are available [here](#).

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### Centers for Medicare and Medicaid Services

#### **Conference Call: Medicare Open Enrollment Period**

Henry Claypool, Director of the U.S. Department of Health and Human Services Secretary's Office on Disability, and Jonathan Blum, Centers for Medicare & Medicaid Services' Deputy Administrator and the Director of the Center for Medicare, plan to hold a conference call to discuss Medicare's Open Enrollment Period, changes in Medicare Advantage and Part D plans for next year. They will also review information that consumers with disabilities, including those who have both Medicare and Medicaid, should consider when making health care plan choices and important changes to the Medicare program under the Affordable Care Act.

The call is scheduled for Monday, October 31, 2011, at 3:30pm-4pm (ET). Dial: 866-501-5502 and enter Conference ID: 22833504 to access. (TTY: 1-800-855-2880).

This call will be recorded and will be available until midnight Monday, November 7, 2011. To access the call's recording dial 1-855-859-2056 and enter the conference ID 22833504.

The Medicare Open Enrollment period has been expanded to last seven weeks, starting on October 15 and ending on December 7. This will give seniors and people with disabilities more time to compare and find the best Medicare health and prescription drug plan that meets their unique needs. Medicare beneficiaries and their caregivers may visit Medicare's Plan Finder today, available at <http://www.medicare.gov/find-a-plan>, to review their options.

NASUAD prepared an Information Sheet on Medicare's Open Enrollment, including information about the 5-Star Special Enrollment Period and resources for Medicare beneficiaries, which is available [here](#).

## **500 Federally Qualified Health Centers to Receive Funding, Participate in a Program to Improve Care**

*October 24, 2011*

On Monday, the Centers for Medicare and Medicaid Services announced the Advanced Primary Care Practice demonstration project, a new initiative in which 500 community health centers in 44 states across the country will receive approximately \$42 million over three years to improve the coordination and quality of care they deliver to people with Medicare and other patients. Medicare will pay community health centers based on the quality of care they deliver. This improved payment system will reward clinics for such things as helping patients manage chronic conditions, and will allow them to expand their hours, make same day appointments, and accommodate patients with urgent care needs.

More information on the Advanced Primary Care Practice demonstration project, click [here](#).

## **Medicare Advantage Reassignment Notice sent to 48,000 people with Medicare**

The *MA Reassignment Notice* (Product No. 11443) (Blue Notice) will start mailing Friday, November 28 to approximately 48,000 people with Medicare nationwide.

This notice informs people who qualify for Extra Help (Low-Income Subsidy or LIS) and whose Medicare Advantage Plan is leaving the Medicare Program that they will be reassigned to a new Medicare drug plan if they do not join a new plan on their own by December 31, 2011. Medicare beneficiaries can also elect to join another Medicare Advantage Plan or a Medicare Prescription Drug Plan prior to the December 31, 2011, deadline.

The *MA Reassignment Notice* is three pages on blue paper, including a list of plans for each region that have premiums at or below the low-income premium subsidy amount. You may view the MA Reassignment Notice, including Medicare drug plans in each state by clicking [here](#).

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## FROM CONGRESS

### **FY12 Appropriations**

Next week, the Senate is expected to pass the first of several “minibus” bills as part of their Fiscal Year (FY) 2012 appropriations strategy. This bill includes the Transportation and Housing and Urban Development bill (S 1596) and the Agriculture, Commerce-Justice Science (S 1572). House appropriators may try to expedite completion of the FY12 appropriations process by adding one or two additional spending bills to the Senate’s current package, though which bills would be added to the minibus are currently unknown, but the addition of a longer stopgap FY12 funding measure is possible. The current continuing resolution (CR) will fund the government through November 18 (PL 112-36).

### **Super Committee**

*October 26, 2011*

On Wednesday, CBO Director Doug Elmendorf testified at the 3<sup>rd</sup> public hearing of the Joint Select Committee on Deficit Reduction. At the hearing, he spoke to Committee members about the implications to defense budgets of the Budget Control Act (BCA, PL 112-25), as well as the impact of the BCA’s potential set of automatic cuts. The hearing, along with statements provided by Senator Murray, Rep. Hensarling, and Dr. Elmendorf are available [here](#).

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## FROM OTHER ORGANIZATIONS

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### **The Kaiser Family Foundation**

#### **Statehealthfacts.org Updates Data**

[Statehealthfacts.org](#) is a project of the Henry J. Kaiser Family Foundation and is designed to provide free, up-to-date, and easy-to-use health data for all 50 states. Statehealthfacts.org provides data on more than 700 health topics and is linked to both the [Kaiser Family Foundation website](#) and [Kaiser Health News](#).

This website had recently been updated, in part to include more recent information on [Medicaid spending per enrollee](#) from analysis of the Medicaid Statistical Information System (MSIS). The most recent data on [child immunizations](#), [comprehensive Medicaid managed care enrollment](#), and Medicare beneficiaries receiving a [prescription drug coverage gap discount](#) under health reform are also available. You can view the complete list of recent updates [here](#).

#### **Medicare Releases Patient Safety Ratings for Hospitals**

Medicare now releases patient safety ratings for thousands of hospitals in order to pay less to institutions with high rates of surgical complications, infections, mishaps, and potentially avoidable deaths. The data is available on [Medicare’s Hospital Compare website](#), and

evaluates hospitals on how offer patients suffer complications after surgery and death rates of surgical patients. Medical errors are also included in the evaluations.

Last week, Medicare also announced 18 more measures it may include in the value-based purchasing program, including how hospitals handle stroke patients and what steps they take to protect patients from blood clots.

The evaluations are available [here](#).

A full Kaiser report can be found [here](#).

## **Kaiser Releases Two Papers on Medicaid and Long-Term Care**

*October 26, 2011*

On Wednesday, the Kaiser Family Foundation's Commission on Medicaid and the Uninsured released two issue briefs that explore key topics related to Medicaid and long-term care. The nation's primary payer for long-term services and supports, Medicaid finances 43 percent of all spending on such services. Although the individuals who rely on long-term care are diverse and comprised only six percent of the Medicaid population in 2007, they accounted for nearly half of total Medicaid spending that year. There is increased interest among states in providing Medicaid long-term services and supports through managed care programs rather than paying for them on a fee-for-service basis, as has been the general practice.

*[Medicaid's Long-Term Care Users: Spending Patterns Across Institutional and Community-based Settings](#)* provides an overview of long-term care users and their acute and long-term care service spending.

*[Examining Medicaid Managed Long-Term Service and Support Programs: Key Issues to Consider](#)* looks at the important factors for states to consider if they are contemplating a shift to covering new populations and long-term services and supports benefits through managed care arrangements such as capitated payments to traditional risk-based managed care organizations (MCOs).

## **New 50-State Survey Finds Cuts in Provider Payments and Changes in Delivery of Services**

*October 27, 2011*

The Kaiser Family Foundation's Commission on Medicaid and the Uninsured released a survey that found that Medicaid officials in virtually every state are enacting a variety of cost cutting measures as states' spending for Medicaid is projected to increase 28.7 percent this fiscal year to make up for the loss of federal funds.

This survey, the Commission's 11<sup>th</sup> annual 50-state Medicaid budget survey, captured cost containment actions ranging from restrictions on payments to providers and benefits, to new copayments for beneficiaries and additional efforts to contain the cost of prescription drugs.

States are also trying to make their programs more efficient by increasing the use of Medicaid managed care, moving long-term care toward community-based care models, and streamlining enrollment procedures.

More information is available [here](#).

The full report can be found [here](#).

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## AARP

### **The Employment Situation, September 2011: Good News for Older Jobseekers Remains Elusive**

The AARP Public Policy Institute released a fact sheet that highlights the employment situation for older persons as of August 2011. Between July and August, the unemployment rate for persons aged 55 and older dipped to 6.6 percent from 6.9 percent, about 70,000 fewer than in July. Still, nearly 2.1 million people aged 55 or older were unemployed in August. The number of older persons with jobs increased in August, but the employment-to-population ratio showed little change.

The average duration of unemployment for jobseekers aged 55 and older remained just above one year in July. As of July, nearly 55 percent of older jobseekers had been out of work for 27 or more weeks.

The fact sheet can be found [here](#).

### **Health Reform Law Creates New Opportunities to Better Recognize and Support Family Caregivers**

Family caregivers, who are family members, partners, and close friends who help take care of individuals residing in the community are often the most important source of support to older people and adults with chronic or disabling conditions. They provide the majority of care for loved ones who need help with activities of daily living, such as bathing and dressing, and instrumental activities of daily living, which may include going to medical appointments, meal preparations, and paying bills. Family caregivers also increasingly carry out nursing tasks in the home.

The new health care reform law – the Patient Protection and Affordable Care Act (ACA) includes a number of provisions that provide meaningful opportunities to better recognize and address caregiver needs. The AARP Public Policy Institute released a fact sheet that highlights selected ACA provisions that mention family caregivers in important ways.

The fact sheet can be found [here](#).

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## Pfizer

### **Loving and Living with Alzheimer's Disease**

Pfizer is sponsoring an event on Monday, October 31, from 9:00 to 10:30 am et in the Capitol Visitor Center, Room SVC 201-200. This event is intended to shed light on the lives impacted by fighting and managing this disease on a daily basis, and is being held in recognition of Alzheimer's Awareness Month.

The event will include a discussion featuring Senator Susan Collins (R-ME); Judith Fox, photographer and Alzheimer's caregiver; George Vradenburg, Chairman, USAgainst Alzheimer's; and Dr. Jennifer Braunschweig, Medical Director of Government Relations and External Affairs, Gundersen Lutheran Health System. A photography exhibition recognizing the contributions of Alzheimer's patients and their families will be open for public viewing in the Russell Senate Rotunda.

A light breakfast will be served, and a guided tour of the photography exhibit will immediately follow the event.

Registration is required, and can be found [here](#).

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## Alzheimer's Foundation of America

### **Alzheimer's Foundation of America Releases Recommendations for National Plan to Defeat Brain Disorder**

*October 20, 2011*

The Alzheimer's Foundation of America released recommendations on both care and cure to tackle Alzheimer's Disease. Entitled "No Time to Waste," the report urges a "bold but practical" approach and calls for formulating solutions within – as well as outside – current government programs to ultimately defeat Alzheimer's disease.

The recommendations for research, clinical care, and long-term care come as national experts are examining what to include in an integrated national plan as mandated under the new National Alzheimer's Project Act, and as the incidence of the brain disorder in the United States is expected to explode by mid-century.

The report incorporates the Alzheimer's Foundation of America's own beliefs and feedback shared by its 1,600 member organizations, family and professional caregivers, and experts over the past few months.

The full report is available [here](#).

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## GRANTS

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### Grant Title: National Neighbors Silver

**Agency Issuing Grant:** National Community Reinvestment Coalition (NCRC)

**Eligible Applicants:** Local organizations

**Close Date:** 11/4/2011

**Description:** NCRC will select five local organizations to: build an organizing network of older adults; identify financial stressors in their aging community; and implement a strategy to preserve wealth, improve housing and build economic security for older adults. Successful National Neighbors Silver (NNS) grantees will bring the goals of inclusion, opportunity, economic stability and empowerment to their region's older population.

[Click here for more info on this funding opportunity](#)

Questions can be directed to Stacy Sanders, Director of National Neighbors Silver at [ssanders@ncrc.org](mailto:ssanders@ncrc.org).

Applicants must apply for this grant by emailing [nns@ncrc.org](mailto:nns@ncrc.org).



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## UPCOMING EVENTS FROM OUR PARTNERS

[National Association of Medicaid Directors Fall Conference, November 7-9, 2011, Washington, DC](#)

[Archived Friday Updates are available on NASUAD's website here.](#)