

## Fast Facts

### Governor's Agenda Offers Little Hope for Health Care Reform

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Governor Manchin proposes to expand Medicaid eligibility from the current 35 percent of the Federal Poverty Level (FPL) to 50 percent of the FPL (annual earnings of \$8,800 for a family of three). His proposal also expands eligibility to all working adults with incomes at or below 50 percent of the FPL, not just parents. The proposal ignores the recommendations of West Virginians for Affordable Health Care and Families USA to expand Medicaid this year to parents earning up to 100 percent of the FPL and wait for expansion to other low-income adults. The Governor proposes no new state funding for Medicaid, but says he may support a tobacco tax for health care expansions in the future if necessary.

The Governor also proposes to have the Insurance Commissioner create a new low-cost insurance product for working West Virginians without access to coverage. West Virginia has tinkered with low-cost insurance products for several years without much success. A low-cost option for small employers has been available for several years. The most recent product for small employers has participation by one employer with 7 employees.

Finally, the Governor proposes to buy dental equipment for community health centers and ask dentists to volunteer one day a month to provide free dental care to low-income West Virginians. Anything that supports the state's system of community health centers is a good thing, and we hope the dental community will step up to the plate.

Except for promoting the use of more technology to promote efficiency and quality in the health care sector, the Governor made no comments about the Legislature's *Road Map to Health Project*.

#### **The West Virginia Legislature and the *Road Map to Health***

For the past year, Select Committee D of the West Virginia Legislature has consulted with hundreds of West Virginians to craft health reform initiatives. During the 2009 Session, Select Committee D plans to sponsor several significant health care bills:

- An increase in the tobacco tax from the current 55 cents per pack of cigarettes to the national average of \$1.20 per pack and an increased tax on other tobacco products from 7 percent to 14 percent.
- Labeling of menus for calories for chain restaurants with more than 15 locations.
- Pilot projects using three different approaches, including a multi-payer chronic care management approach, a National Committee on Quality Assurance certification process, and a Primary Care Medical Home supported through community health teams.
- A temporary fee of two-tenths of one percent on all health care claims to support health information technology implementation. The fee is estimated to raise \$4 million per year.

- Establishment of a Governor’s Office of Health System Improvement to coordinate health care policy across state agencies and oversee health system changes.
- A tax credit of up to \$25,000 for small businesses that provide health coverage.
- Streamlining of the health care provider credentialing process.

As of February 19, 2009, 58 health and health-related bills had been introduced. Many of these bills are carryovers from last year. Bills of interest include:

- SB 29 allows employees to use paid accumulated sick leave for paid family leave to care for a family member.
- SB 28 requires the Commissioner for the Bureau for Public Health to conduct a public health impact statement assessing the health impact of any new air or water rule. The purpose of the bill is to insure that no air or water rule is promulgated without substantiating independent medical or scientific evidence there is no detrimental public health impact from the rule.
- HB 2431 creates an emergency contraception education program within the Department of Health and Human Resources.

## **Federal Health Care Legislation**

Elections make a difference. Less than one month in office, the Obama Administration has already taken several important steps that will improve access to affordable health care.

One of the first things that the Obama administration did was to reverse the “August 17<sup>th</sup> Directive,” which limited the rights of states to expand coverage under the Children’s Health Insurance Program. On February 4, the president signed the Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPRA). The new law is designed to provide coverage to significant numbers of uninsured children and to improve the quality of care that all of America’s children receive.

### **CHIPRA 2009**

- Provides significant new CHIP funding through 2013, including an allotment of \$43.3 million per year for West Virginia. The new funding formula will put West Virginia CHIP financing on solid footing and permit expansion of eligibility to 300 percent of the federal poverty level.
- Allows for a state option to cover legal immigrant children and pregnant women.
- Makes available bonus payments and grants to states for expedited enrollment and quality improvement.
- Allows states to provide supplemental dental-only coverage for children with employer and private health insurance coverage.
- Requires that EPSDT services be provided as part of the CHIP benefit plan.
- Clarifies that states can provide covered benefits and services through school-based health centers.

## **The Economic Recovery Bill**

The Economic Recovery Bill signed by President Obama last week provides for several important health care measures:

- \$450 million in new federal dollars over 27 months to support Medicaid. It is not known how the state will spend the new dollars or if dollars will be saved for future expenses in Medicaid. New dollars cannot be used to expand services, but could help to support underfunded Medicaid programs in West Virginia such as the MR/DD waiver. It could also be used to increase reimbursement to health care providers.
- Funding to help unemployed workers pay for continued health coverage under COBRA. The bill provides a 65 percent subsidy for nine months for workers who lose their jobs to help pay for their employer-based health coverage. COBRA allows workers to maintain their employer-based coverage for 18 months post-employment by paying 102% of the cost. Under the Economic Recovery Bill, workers will get help to pay for 65 percent of the cost.
- The bill also includes about \$30 billion in competitive grants for community health centers, broadband infrastructure and information technology.