



Dear Health Committee Chairs:

Happy New Year! This is your January 2009 Health Chairs E-Bulletin with the latest state health policy resources.

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*Children's Health ~ In the News ~ Other Resources ~ About Us*

## UPDATES FROM NCSL

- **NCSL held its annual Fall Forum December 10-13 in Atlanta, GA**
  - Listen to the meetings you missed:
    - [Joint Health Chairs Project / CHAP Tea and Launch of the NCSL-AARP Long-Term Care Reform Leadership Project](#)
    - [Dr. Julie Gerberding](#), the Director of the CDC addressed how state legislatures can reframe health care reform
    - [Other recorded sessions](#), including:
      - [Health Policy Conference: Women's Health--A Focus on Chronic Diseases](#)
      - [Kicking the Habit: Saving Lives and Money through Tobacco Cessation Programs](#)
  - Review the meeting session, [Moving Toward a High Performance Health System: The Role of States](#), which addressed three major topic areas: *Improving Access*, *Improving Quality*, and *Improving Efficiency*.
  - Also from Fall Forum, two *State Health Notes* articles:
    - [THE ALOHA STATE SEEKS TO FILL IN 'GAPS'](#)
    - [PHYSICAL ACTIVITY IN EVERY POLICY](#)
    - Aren't receiving *State Health Notes*? Sign up [here](#).
- **New NCSL Health Policy Web Pages**

Check out new resources for health policymakers.

  - [MRSA and Other Hospital-Acquired Infections](#)
  - [NCSL Trends for 2009: Health Costs and Reform](#)
  - [Retail Health Clinics: State Legislation and Laws](#)

➤ **New NCSL Publications**

Find a recently-published report and three new Legisbriefs.

- [Health Information Technology: 2007 and 2008 State Legislation](#)
- [Lowering the Minimum Legal Drinking Age](#)
- [Preventable Injuries Burden State Budgets](#)
- [Community Health Centers](#)

➤ **NCSL Legislative Databases**

See what's been introduced in 2009 on:

- [Long Term Care](#)
- [Disparities in Health](#)
- [Substance Abuse](#)
- [Access to Health Care](#)

➤ **NCSL's [Youth in the News](#)**

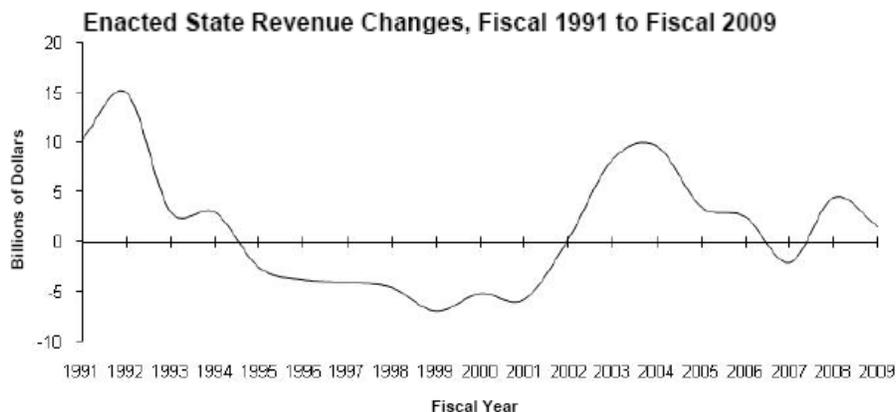
Take a look at this bimonthly overview of news articles concerning youth. The most recent issue includes:

- A study on depressed teenagers
- New data on teen birth rates
- Research on youth engaging in risky behavior

## *State of the States*

### **Health Care Spending in 2008-09**

The National Association of State Budget Officers just released the annual [Fiscal Survey of States](#), which gives actual fiscal 2008, preliminary fiscal 2009, and appropriated fiscal 2009 figures. According to the report, state spending growth slowed for most states during fiscal 2008 and is forecasted to slow even further and turn negative during fiscal 2009. Accounting for 20.7 percent of total state spending in fiscal 2008, Medicaid spending is expect to increase by 5.8 percent in fiscal 2009 and enrollment is projected to increase by 3.5 percent.



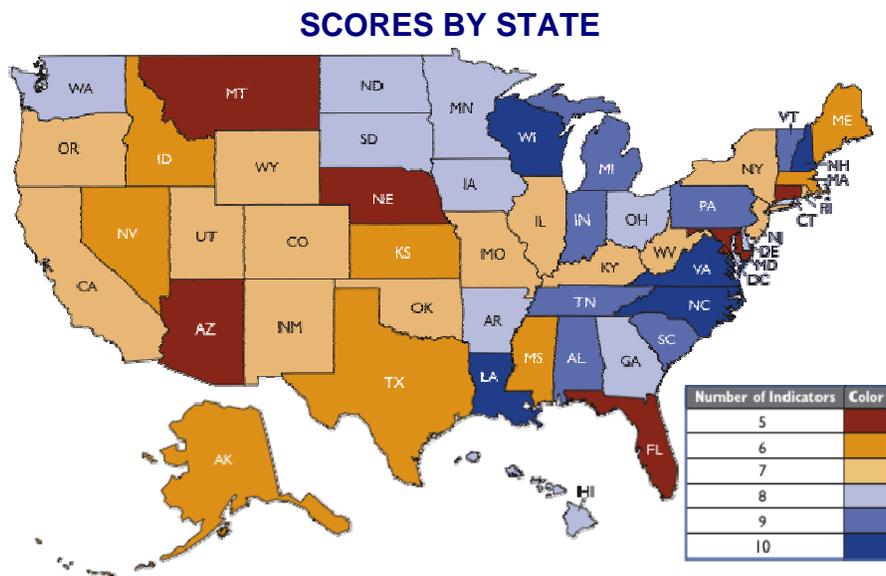
SOURCE: National Association of State Budget Officers.

## How Does Your State Compare?

Finding Vermont to be the healthiest state, the United Health Foundation's [America's Health Rankings 2008 Report](#) takes an in-depth look at each of the 50 states with respect to four groups of health determinants: personal behaviors, community and environment, public and health policies, and clinical care.

## How Prepared Is Your State?

[Ready or Not? Protecting the Public's Health from Diseases, Disasters, and Bioterrorism](#) contains state-by-state health preparedness scores based on 10 key indicators that assess health emergency preparedness capabilities. This annual report, created by the Trust for America's Health, finds that more than half of states achieved a score of seven or less out of 10 key indicators. This year's edition finds that cuts in federal funding, coupled with cuts in state budgets, put progress toward improved public health preparedness at risk.



Source: Trust for America's Health

## Medicaid

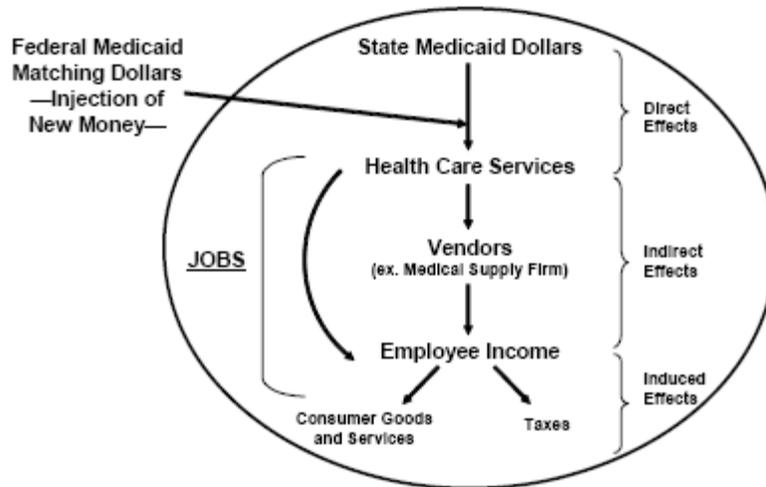
### Understanding FMAP

Each state's "match rate," or federal medical assistance percentage (FMAP), determines the share of Medicaid benefit costs the federal government pays. Because FMAP changes every year, the National Health Policy Forum released the issue brief [Medicaid Financing: How the FMAP Formula Works and Why It Falls Short](#) on December 11, 2008, examining the FMAP formula and highlighting options to address its shortcomings.

### Medicaid & the Economy

In addition to providing health care coverage, Medicaid spending generates economic activity at the state level. The Kaiser Commission on Medicaid and the Uninsured recently released the fact sheet [State Fiscal Conditions and Medicaid](#) that highlights the importance of Medicaid spending as a driver of state economies.

## Medicaid is an Economic Engine in State Economies



SOURCE: The Role of Medicaid in State Economies: A Look at the Research. KCMU, January 2009.

### Disruption in Coverage

After reviewing hospital discharge data in California, researchers find that disruptions in Medicaid coverage increase the number of hospitalizations for ambulatory care--sensitive conditions, including heart failure, diabetes and chronic obstructive pulmonary disease. This study, [Interruptions in Medicaid Coverage and Risk for Hospitalization for Ambulatory Care--Sensitive Condition](#), published in the *Annals of Internal Medicine*, finds that interruptions in coverage are associated with negative health consequences and higher costs.

### Medicaid & Medicare

With nearly 7.5 million individuals eligible for both Medicare and Medicaid, how can states best provide care for these beneficiaries? The Center for Health Care Strategies, Inc. recently conducted the [Medicaid Best Buys -- Integrating Care for Dual Eligibles: Opportunities for States](#) webinar in order to explore progress states have made in integrating care, new non-Special Needs Plans alternatives, and best practices for involving consumers in the design and implementation of programs.

### The Benefits of Integration

WITHOUT INTEGRATED CARE	INTEGRATED CARE
x Three ID cards: Medicare, prescription drugs, and Medicaid	✓ One ID card
x Three different sets of benefits	✓ One set of comprehensive benefits: primary, acute, prescription drug, and long-term care supports and services
x Multiple providers who rarely communicate	✓ Single and coordinated care team
x Health care decisions uncoordinated and not made from the patient-centered perspective	✓ Health care decisions based on Mattie's needs and preferences
x Serious consideration for nursing home placement; Medicare/Medicaid only pays for four hours/day of home health aide services	✓ Able to receive non-traditional benefits that help Mattie stay in her home

Source: Center for Health Care Strategies, Inc.

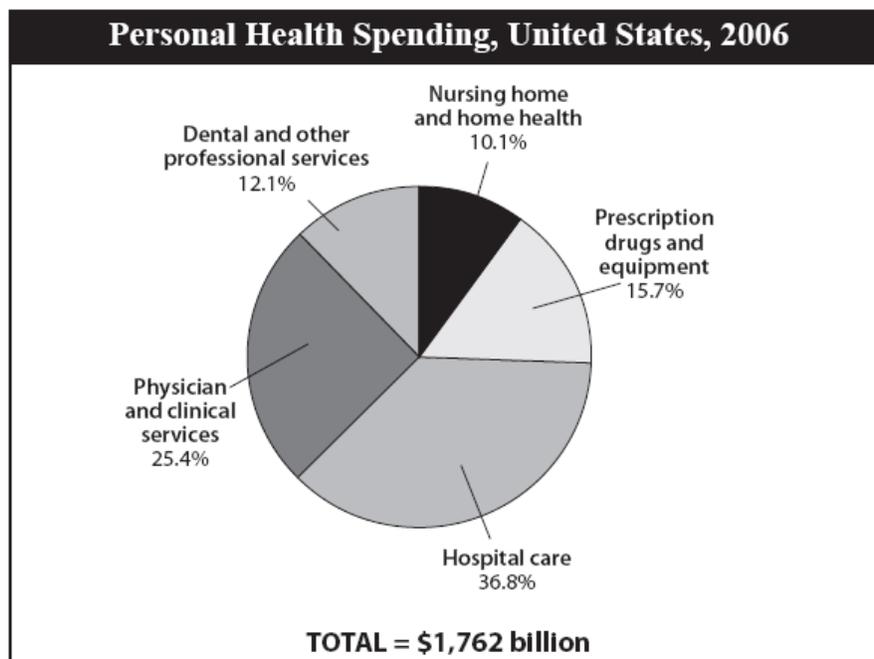
## Costs

### Learning from Massachusetts

After enacting health care reform legislation in 2006, Massachusetts has experienced a decline in the number of uninsured; however, costs have been higher than anticipated. In [Massachusetts Health Reform: Solving the Long-Run Cost Problem](#), the Urban Institute analyzes the cause of such high costs and offers remedial options including expanding the managed competition model, creating a plan to effectively negotiate with providers, and developing an all-payer rate-setting system.

### Physician Payment Reform

By design, financial incentives in a payment system will influence what physicians do and will affect resource use and distribution. The Mathematica Policy Research, Inc.'s policy brief [Using Physician Payment Reform to Enhance Health System Performance](#) reports that changing payment methods can help align physician performance with broader goals for the system. Moving beyond individual services, enhancing primary care and care coordination and aligning incentives across providers are among the options considered.



Source: Author's calculations from the Centers for Medicare & Medicaid Services National Health Expenditures Account, as referenced in Keehan et al. 2008.

### Trends in Health Plans

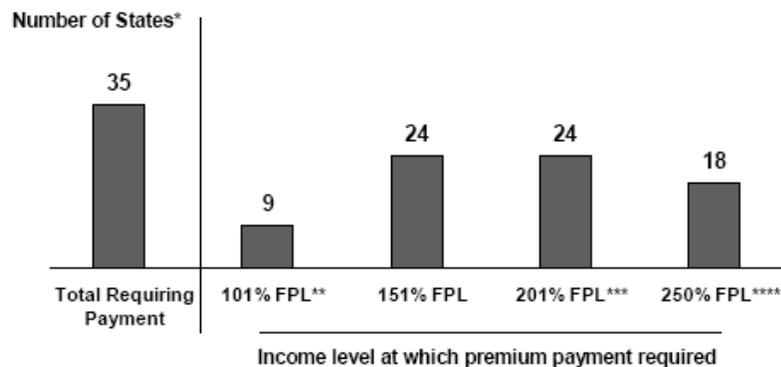
The Employee Benefit Research Institute (EBRI) conducts an annual national survey regarding the growth of account-based health plans and high-deductible health plans. According to the [Findings from the 2008 EBRI Consumer Engagement in Health Care Survey](#), three percent of the population was enrolled in a consumer-driven health plan (CDHP) in 2008, up from two percent the previous year and one percent in 2006. Among individuals with employment-based health benefits, those in CDHPs were more likely than those with traditional coverage to have a choice of health plan.

## Children's Health

### 50 State Update on SCHIP

More than one-third of states took steps last year to increase access to health coverage for low-income children, pregnant women, and parents. [Challenges of Providing Health Coverage for Children and Parents in a Recession](#), just released by the Kaiser Commission on Medicaid and the Uninsured, examines trends on access to coverage and barriers to care for children. The webinar [Briefing on Children's Health Coverage: What's Next](#) is also available from Kaiser.

### States with Premiums or Enrollment Fees in Children's Health Coverage Programs, January 2009



**Source:** Based on a national survey conducted by the Center on Budget and Policy Priorities for KCMU, 2009

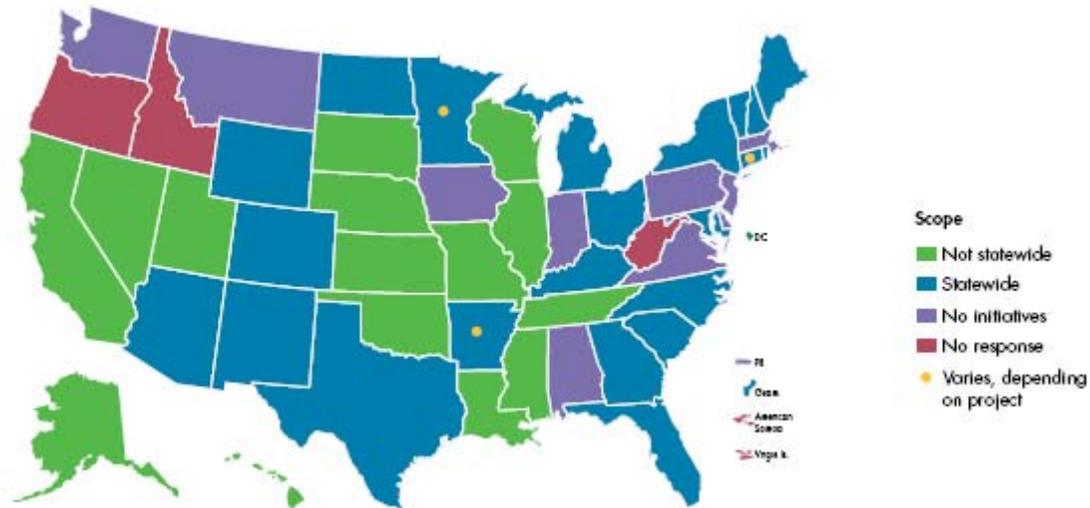
### Preventing Childhood Obesity

The CDC identified a contributor to childhood obesity that had been previously overlooked--child care. Just two states, Michigan and West Virginia, specify that child care centers' menus must be consistent with the [Dietary Guidelines for Americans](#), and only nine states set specific lengths of time that children should be outdoors each day. [Child Care as an Untapped Setting for Obesity Prevention](#) reports that strengthening state licensing regulations can contribute to preventing childhood obesity.

### Delivery of Mental Health Services

The National Center for Children in Policy's [Unclaimed Children Revisited: The Status of Children's Mental Health Policy in the United States](#) determines the "vast majority" of states are taking tangible steps to improve their mental health delivery systems for children. However, these changes, while promising, are often severely limited in scope and shallow in depth due to lack of concerted strategic plans.

## Scope of Funding for Early Childhood Mental Health Initiatives



Source: National Center for Children's Policy

### *In the News*

#### **Budgeting During Difficult Times**

How are other states responding to this economic climate? Many states are looking to not only cut costs but to raise revenue as well. A recent [study](#) from the University of Florida shows that the more alcohol costs the less likely people are to drink. Many see raising alcohol taxes as an opportunity to not only discourage drinking but to also raise state revenue.

Increases in cigarette taxes are being considered by legislators in [Arkansas](#), [Mississippi](#), [New Mexico](#), and [Florida](#). Rather than raising taxes, the House Appropriations Committee in [Arizona](#) recommended delaying payments to state agencies. [Michigan](#) may allow early release for prisoners and [Delaware](#) could possibly end employment for incarcerated state employees in an effort to save money.

### **OTHER ONLINE RESOURCES**

#### **Predicting Consequences of Policy**

The RAND Corporation launched a first-of-its-kind online resource that synthesizes what is known about the current health care system, provides information on proposals to modify the system, and delivers insight about how potential policy changes are likely to affect health care delivery and costs in the United States. This [Comprehensive Assessment of Reform Efforts](#) or COMPARE is intended to provide policymakers and interested parties with a unique way of understanding and evaluating the effects and unintended consequences of health care reform proposals.

#### **How Ready Are You?**

The Agency for Healthcare Research and Quality launched the [Mass Evacuation Transportation Planning Model](#), which estimates the time required to evacuate patients in healthcare facilities and transport them to receiving facilities. This allows hospital administrators, health officials, and policymakers to manipulate the circumstances and save scenarios specific to geographic areas.

## Health Stats by State

The [State of State Health](#), a project of the New America Foundation's Health Policy Program, is an interactive guide to the status and future of health care in America. The project presents data from a variety of sources in order to demonstrate the connections between cost, coverage, quality, and health at the state level.

## ABOUT US

[The National Conference of State Legislatures](#) is a bipartisan organization that serves the legislators and staffs of the nation's 50 states, commonwealths and territories, providing research, technical assistance, and opportunities for policymakers to exchange ideas on the most pressing state issues.

Located in NCSL's Washington, DC office, [the Forum for State Health Policy Leadership](#) works with state legislators and staff to identify critical health policy issues and address the challenges in developing effective state policy.

Established by the Forum, [the Health Chairs Project](#) serves the health committee chairs of all 50 states by providing educational materials on health policy issues, direct access to policy experts and the opportunity to share information and discuss policy strategies among other health chairs.

[The Health Chairs E-Bulletin](#) is a monthly email that provides an overview of new developments concerning topics in health, resources that may be helpful in developing policy, and updates on the Health Chairs Project, the Forum, and NCSL.

**Have a great state health policy resource?** Please [email us](#) to include it in the next issue.

See you in February!

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