

Next Phase In Health Care War

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HEADLINE: Next phase in health care war: Applying the law; Cabinet braces for lobbying blitz by industry advocates

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WASHINGTON -- The debate in Congress over President Obama's health care law is done. The battle over how to carry out the law is just getting started.

Dozens of special-interest groups that helped shape the 10-year, \$938 billion health care measure over the past year -- from insurance companies to patient advocates -- are gearing up for a second wave of lobbying as the Obama administration prepares to implement the law.

The U.S. Chamber of Commerce, which opposed the measure in Congress, is fighting to protect businesses that might be required to provide insurance, for instance. Drugmakers who supported the bill are monitoring how much they may have to discount prices.

Watchdog groups say patients can get lost in the lobbying blitz. "Industry dominates this process even more than they dominate the legislative process," said Robert Weissman of Public Citizen. "It's more of an inside game."

Congress gave sweeping power to federal agencies, especially the Department of Health and Human Services, to fill in gaps lawmakers left in the 906-page legislation -- an effort that will take years. The law refers more than 1,000 times to Cabinet secretaries who will make decisions on how to carry out the law.

For example, the law requires insurance companies to spend 80% of premiums on medical claims, as opposed to administrative costs, by 2011. But it directs the health department to decide whether gray-area expenses, such as health-and-wellness programs offered by insurers, count as care or overhead.

Karen Ignagni, president of the industry group America's Health Insurance Plans, said her staff is "already geared up" and is providing data and suggestions on that and other issues to the department. But, she said, agencies implementing the law will weigh many arguments before making a decision.

"I don't think regulators are influenced by the classic sense of lobbying," she said. "There's a level playing field."

Unlike the legislative process, much of the battle over regulations takes place behind the scenes, Weissman said. The public may comment on proposed decisions, but many groups try to gain access to

decision-makers early on, he said.

The health department declined to discuss industry attempts to influence implementation, but Secretary Kathleen Sebelius said in a statement that the department is "working closely with states, insurers, providers and other partners. ... We want to hear from everyone."

Other looming battles over the new law include:

*The health department must create high-risk insurance plans to provide temporary coverage for people with pre-existing conditions. Private insurers are watching to make sure those plans don't affect their bottom line, said Mark Pauly, a University of Pennsylvania health economist.

*Firms with more than 50 full-time employees would face fines in 2014 if they don't provide health insurance to workers. The Treasury Department must determine who qualifies as a full-time employee, a decision that will affect businesses on the edge of the 50-worker threshold. "We really have to make our case early," said Randel Johnson with the U.S. Chamber of Commerce.

*Health department officials must develop a review process to judge dozens of pilot programs created in the law -- and decide whether they should be expanded. The National Partnership for Women & Families, a patient-advocacy group, wants the process to take quality of care into account. "It can't just be about saving money," the group's president, Debra Ness, said. "We also want to make sure they deliver better care."

Health care interests spent heavily on lobbyists as the legislation worked its way through Congress. In all, health industries spent \$652 million in 2009, up 14% from 2008, according to the non-partisan CQ Moneyline.

Last year, the Obama administration passed a sweeping series of rules requiring federal agencies to disclose contacts their officials had with lobbyists about the economic stimulus. Similar rules do not exist for the health care law.

"We all want to ... meet with folks to describe some of the issues and concerns we think need to be navigated," said Ron Pollack of Families USA, which supports the law. "I have no doubt that industry and others are going to be doing the same thing."

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