



NJAHHP Government Affairs Update: September 2011

Board Consolidation: There has been no movement on the proposal to consolidate the Audiology and Speech Language Pathology Board with the Hearing Aid Dispensers Committee. We are continuing to monitor the issue and will alert the Association if the issue is introduced in the Legislature.

A-3172/S-2823 (Requires all personal audio players distributed in New Jersey to contain warning about volume and hearing loss): NJAHHP sent a letter to Senator Vitale thanking him for introducing a Senate version of Assemblywoman Vainieri Huttle's bill A-3172. The Senate bill was referred to the Senate Commerce Committee. To date, neither bill has been posted for a vote in committee. However, the bills have picked up additional sponsors thanks to NJAHHP's involvement, which indicates growing support for the issue.

Audiology Board Appointment: On May 19, Governor Christie nominated Chetan S. Shah, M.D. (Titusville, Mercer County) to fill the physician's position on the Audiology and Speech Language Pathology Advisory Committee. No further action was taken on the board over the summer and the position for the audiologist position remains open. We are in close contact with the Governor's Office regarding Dr. Kennedy's appointment to this post. The office has all of Dr. Kennedy's paperwork and they tell us she is in good position for the Governor's consideration.

As per ABS' request, Dr. Kennedy met with Senator Sean Kean (R-Monmouth), ranking member of the Senate Health Committee, in July. Senator Kean wrote a letter of recommendation to the Governor on Dr. Kennedy's behalf. ABS also reached out to Senator Norcross' office (D-Camden), Dr. Kennedy's district senator, and asked his support of Dr. Kennedy's nomination to the board.

Medicaid Update: On June 30, Governor Christie signed the \$29.7 billion state budget into law for Fiscal Year 2012 (<http://www.state.nj.us/treasury/omb/publications/12budget/index.shtml#budget>), that includes several changes to the state's Medicaid program. Most relevant to NJAHHP members is a new requirement that will shift nearly all categories of Medicaid's fee-for-services clients into managed care beginning July 1 through early fall.

NJAHHP followed the budget negotiations closely and voiced its concern with this move toward limited managed care plans. The Association warned in a letter to the Administration (attached for your information) that while shifting thousands of patients to Medicaid HMOs may look good on paper from a budgetary standpoint, its implementation threatens the ability of patients to receive comprehensive hearing healthcare. HMOs' low reimbursement rates, coverage restrictions and other limitations make the plans uncompetitive for hearing healthcare providers to participate in, which will ultimately leave the patients bearing the cost in inadequate care.

While the Association was disappointed in the Governor's approval of the HMO enrollment measure, his action was not a surprise. With full implementation of federal Patient Protection and Affordable Care Act (PPACA) and its vast expansion of Medicaid eligibility looming in 2014, the state is looking for ways to cut costs now to prepare. It is estimated that up to 500,000 additional New Jerseyans will become eligible for Medicaid over the next few years.

New Jersey is not alone in its efforts to restructure Medicaid. The National Governors Association and the National Association of State Budget Officers recently conducted a survey on Medicaid programs and found that thirty-three states are proposing cutting Medicaid payments to providers in 2012. The survey also showed that Medicaid was the single largest expenditure on the state level, representing about 22 percent of all spending. It found that 16 states have proposed freezing provider payments and 12 have proposed raising provider taxes or fees in fiscal 2012, while 10 others already plan to raise taxes and fees in fiscal 2011.

The State Department of Human Services has put together a "Frequently Asked Questions" piece for providers to use as a guide regarding the changes to Medicaid (see attached). More information about the State's Comprehensive Medicaid Waiver, which proposes additional reforms to the State's Medicaid program can be found at <http://www.state.nj.us/humanservices/dmahs/home/waiver.html>.

In a related development, New Jersey's Department of Human Services Medicaid Director, Valerie Harr, was selected to participate as a fellow in the Medicaid Leadership Institute of 2012. The year-long program is a partnership between The Center for Health Care Strategies and the Robert Wood Johnson Foundation to foster the exchange of innovative initiative ideas and technical skills among the six state Medicaid leaders chosen through a competitive process. The institute will focus on program administration, care delivery and ways to promote efficiencies in services.