**OSR Legislative Affairs Update September 21, 2011**

 **1.  Obama Debt Reduction Plan for $3 Trillion including $320M in cuts from Medicare/Medicaid**President Obama has proposed a major deficit reduction bill to the amount of $3 trillion.  This plan will include raising $1.5 trillion from a tax overhaul targeted at the wealthy while also significant cuts to entitlements and winding down the Iraq and Afghanistan wars.  Medicare and Medicaid will see cuts of up to $320 billion.  In seeking to raise taxes and increase revenues, the President will encounter stern resistance from the Congressional Republicans who have vowed not to increase any taxes.  [Kaiser Health News](http://www.kaiserhealthnews.org/Daily-Reports/2011/September/19/obama-unveils-debt-plan.aspx) – compilation of multiple sources

**2.  Congressional Debt Reduction “Super Committee” Update**As the Congressional Deficit Reduction “Super Committee” continues to deliberate, there are many sides to this story.  The “Super Committee” is tasked with a reduction of $1.5 Trillion.  If the actions of the committee are not approved by congress and the president, it will trigger significant cuts across the government.  With the “Super Committee” set to tackle such diverse issues defense, health care, and taxes, Politico has documented that many “Bundlers” have increased funding for the committee members and the respective parties.  Targets of these cuts could even include military retiree benefits. The CBO (Congressional Budget Office) has stated the health sector might be fare best with the “trigger” cuts.  The outcome of this committee seems unclear at best currently.  Additionally, relevant to many of us, the AAMC continues to advocate for the GME, NIH, and federal student aid programs.  - [Politico](http://www.politico.com/news/stories/0911/63802.html), [NY Times](http://www.nytimes.com/2011/09/19/us/retiree-benefits-for-the-military-could-face-cuts.html?emc=tnt&tntemail0=y), [AAMC](https://www.aamc.org/advocacy/washhigh/highlights2011/260252/aamcurgessupercommitteedonotcutcriticalfunding.html), [Kaiser Health News](http://www.kaiserhealthnews.org/Daily-Reports/2011/September/13/super-committee-issues.aspx)

**3.  Health Care Reform:  HHS to Address Slow Set up of Insurance Exchanges**HHS is trying to work with different states to set up insurance exchanges by 2014.  If these exchanges are not set up by the states, the federal government will have to set up them up instead.  In order to avoid this scenario, HHS has been exploring ideas on how to best manage this process.  Ten states have already passed legislation with seven others pending.  Legislation in sixteen other states has failed.  While many states with Republican leadership have resisted the health care reform bill, many are still planning to set up exchanges will contesting the validity of the bill.  One challenge facing many of the states will be the need for IT infrastructure to catalog and compare different services, plans, and eligibility.  Once this has been set up, many of the other processes can be put into place.  - [Kaiser](http://www.kaiserhealthnews.org/Stories/2011/September/19/Exchange-Partnerships-States-Feds.aspx), [Kaiser](http://www.kaiserhealthnews.org/Daily-Reports/2011/September/19/waivers-health-excahnges-and-health-care-compacts.aspx)

**4.  Patent Reform:  America Invents Act signed by the President**

President Obama has signed the America Invents Act as a major update in how patents are awarded, reviewed, and challenged.  The law changes the rights to a patent from “first-to-invent” to “first-to-file.”  The law also provides additional funding to the US Patent and Trademark Office (USPTO) to handle increased patent applications.  A wide number of organizations support the legislation including BIO and the AAMC.  -  [AAMC](https://www.aamc.org/advocacy/washhigh/highlights2011/259576/senateclearspatentreformforpresidentssignature.html), [ThomasNet](http://news.thomasnet.com/companystory/Patent-Reform-Legislation-garners-praise-from-BIO-601901)

**5.  Medicare Advantage Premiums to fall 4% Next Year**Medicare Advantage programs will see premiums fall by an average of 4% next year without a reduction in benefits with an expected increase in enrollment by 10%.  This is surprising due to annual expected increase in premiums in other insurance programs.  Jonathon Blum, CMS deputy administrator stated that the reduction is due to “strong incentives, competition, better oversight and a simplified process to compare plans.”   - [US Today](http://www.usatoday.com/news/washington/story/2011-09-15/Medicare-health-care-law-premiums/50420430/1), [AP](http://www.newsday.com/news/nation/medicare-advantage-premiums-dip-enrollment-rising-1.3173059), [Kaiser Health News](http://www.kaiserhealthnews.org/Daily-Reports/2011/September/16/medicare-advantage.aspx)

**6. Fun Facts and Articles**

Breast Feeding Data Across the US:  [State Health Facts](http://www.statehealthfacts.org/comparemaptable.jsp?ind=501&cat=10)
Health Care Law Court Challenges Scoreboard:  [Kaiser Scoreboard](http://www.kaiserhealthnews.org/Stories/2011/March/02/health-reform-law-court-case-status.aspx)
How to Set the Health Law’s Essential Benefits Package?  -  [Kaiser](http://www.kaiserhealthnews.org/Stories/2011/September/15/different-takes.aspx)
Health Care Costs and the Average American Family? - [RAND](http://www.rand.org/content/dam/rand/pubs/research_briefs/2011/RAND_RB9605.pdf)

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