(Music)

Mark Masselli: This is Conversations on Health Care. I am Mark Masselli.

Margaret Flinter: And I am Margaret Flinter.

Mark Masselli: Well Margaret, the budget wrangling continues in Washington and still there is nothing close to a grand bargain on the deficit reduction agreement. And meanwhile, these automatic spending cuts that went into effect as part of the sequestration March 1st are continuing to impact Americans in many different ways.

Margaret Flinter: Well, in fact Mark, it is hard to believe that the chasm could get any bigger between the sides of the aisle but it might be. GOP House Budget Chairman Paul Ryan issued his proposal for reducing the deficit. His proposal includes $5 trillion in spending cuts that he says will eliminate the deficit within 10 years.

Mark Masselli: Well, there are a few problems with that plan. It calls for the elimination of the Affordable Care Act. He also calls for the voucherizing of Medicare which could be disastrous for our seniors and would keep millions of Americans out of the health care system.

Margaret Flinter: And not surprisingly of course, the Ryan plan would maintain the cuts that have already been caused by the sequester which means that the cuts to head start, cuts to funding NIH grants, children's nutrition, mental health services, so many programs that are necessary to the health and well-being of Americans would be lost.

Mark Masselli: But hope springs eternal this time of the year and President Obama is meeting with representatives from both sides of the aisle this week to try to find some common ground. Meanwhile, the clock is ticking towards another fiscal cliff, March 27th.

Margaret Flinter: And as all this happens, the states are paying close attention to this debate as it unfolds because clearly, it impacts their bottom-line as well and every state is grappling with their decisions around the implementation of the Affordable Care Act and Medicaid expansion, the exchanges.

Mark Masselli: And our guest today knows just how challenging that can be. A former senator, Ben Nelson of Nebraska who retired this year, is now running the National Association of Insurance Commissioners.

Margaret Flinter: And Senator Nelson, as a former governor and a former state insurance commissioner himself, has such a unique perspective on the challenges that lie ahead for the state insurance commissioners who have a real

responsibility to consumers in each state and have to oversee that transformation of coverage in their states so really exciting.

Mark Masselli: And we will also hear from FactCheck.org's Lori Robertson as well today.

Margaret Flinter: And no matter what the topic, remember, you can hear all of our shows by Googling CHC Radio.

Mark Masselli: And as always, if you have comments, email us at www.chcradio.com or find us on Facebook or Twitter. We would love to hear from you.

Margaret Flinter: Now we will get to our interview with Senator Nelson in just a moment.

Mark Masselli: But first, here is our producer Marianne O'Hare with this week's Headline News.

Marianne O'Hare: I am Marianne O'Hare with these Health Care Headlines. It's the battle of the budget proposals in Washington as the sequester of budget cuts continue in place and Congress is looking at another fiscal cliff at the end of March. This week, GOP House Budget Director Paul Ryan unveiled a plan that calls for little revenue or tax increases and $5 trillion reduction in spending over the next 10 years claiming his plan would balance the budget over 10 years' time. Democrats are responding with their own proposal which includes about a trillion dollars in spending cuts and about a trillion more in new revenues or taxes. But the plan also looks at investing in the nation's infrastructure and schools, both of which are crumbling in many areas. The democratic budget plan revealed this week marks the first time since 2009 that senate democrats have issued a budget proposal of their own. Even conservative pundits admit Congressman Ryan's proposal is somewhat challenged. A lynchpin to his proposal is a repeal of the Affordable Care Act which was upheld by the Supreme Court and ensured by the reelection of President Obama.

Meanwhile, the so-called Entitlement Programs are a point of contention among those seeking ways to eliminate the federal deficit. The President has outlined a plan for Medicare. His plan focuses mainly on reducing payments to hospitals and drug companies and wealthier seniors would have to pay more for their care. He isn't promoting the raising of the retirement age though from 65 to 67 which is part of the Ryan plan.

From the recess room, another reason to incorporate exercise into kids' daily lives, we already know it reduces obesity and improves health, a study out of Finland shows another benefit. Kids who exercised regularly generally reported better moods and were happier overall. It turns out the exercise reduces the

hormone that is released by stress, that is cortisol. Current study show less than 30% of the nation's high schoolers though are getting the recommended 60 minutes of physical activity per day. I am Marianne O'Hare with these Health Care Headlines.

(Music)

Mark Masselli: We are speaking today with United States Senator Ben Nelson, a Democrat from Nebraska, who served in the senate from 2000 to 2013. Senator Nelson is now Chief Executive Officer of the National Association of Insurance Commissioners and the Center for Insurance Policy Research, an organization representing insurance commissioners from all 50 states, which sets standards and conducts regulatory oversight in the insurance industry. Senator Nelson also had a long and distinguished career in Nebraska. He was governor of the state from 1990 to 1998 and was insurance commissioner of the state as well. He served as the CEO of the Central National Insurance Group and earned his law degree from the University of Nebraska. Senator Nelson, welcome to Conversations on Health Care.

Ben Nelson: Well thank you. I am really pleased to be with you today. Education around health reform is such an important mission so I appreciate this opportunity to perhaps add a little bit to the educational experience for people.

Margaret Flinter: Great.

Mark Masselli: You have a unique vantage point looking at the implementation of the Affordable Care Act. After college, you worked for the insurance company in Nebraska and became the state insurance commissioner before becoming governor and later senator. And some say that you were referred to as the 60th vote for the Affordable Care Act to make it possible. And we all know that passing a bill is like sausage making and the result is rarely exactly as what the intent was going in. What would you have liked to see in the Affordable Care Act that didn't make it in or see removed from the Affordable Care Act that did make it in?

Ben Nelson: Well, I have had an unique opportunity to work with both the industry and the regulatory side. But let me be clear, I am in no way at the NAIC to promote cookie cutter implementation in the states. One of the best things about the Affordable Care Act is that the states have a great deal of discretion in a number of areas to pattern what their state needs rather than to have a one size fits all solution. And what I like about this act among other things is that it allows the states a great deal of latitude and flexibility and it was one of the things that I worked on. Obviously, every act that's ever passed by Congress gets improved at some point down the road and that will occur some day soon but not until the politics of it have changed.

Margaret Flinter: Senator, I would like to turn back the history pages maybe a bit to the 1990s and I think it would be accurate to say that you were not supportive of the health reform initiative that was put forward during the Clinton Administration, and yet ultimately of course, you were instrumental to seeing that the Affordable Care Act be made law. Maybe from the perspective that understanding the past helps us deal with the future, what's different about the plan today and the reforms today from earlier attempts and what can we learn from those differences?

Ben Nelson: Well, one of the things that was so important to this reform is that it relies on private insurance to provide the coverage and gives the states a lot more ability to make major decisions and to continue to regulate the markets. So it is the combination of private markets and major decision making authority for the states. That's one of the major differences and that was one of the concerns and one of the points that I continued to insist on as the bill went through the process.

Mark Masselli: You know, we have had the good fortune, Margaret and I, to know a number of insurance commissioners in our state here, and you have to say that with the Affordable Care Act, they are front and center. And also, the role of NAIC is very important, it's mentioned 10 times in the Affordable Care Act to perform important functions, establishing methodologies for calculating medical loss, setting actuarial tables, helping states adopt the insurance exchange. Tell us about some of these tasks that you have been charged with and what do you see some of the biggest concerns about the implementation by your members from NAIC.

Ben Nelson: Well, my job description, and it's not my intention to influence the policy making of the NAIC, but my role is to understand that states regulate the insurance industry and not the federal government, not the NAIC. State-based regulation has been in existence for more than 100 years and consumers need to know and I think they do know that when they have an insurance-related concern, their state insurance department has the tools and the expertise to assist them not the federal government. To a large extent, the federal government realized this when taking on the task of addressing health care reform and so the states have had a major role in seeing the administration of it.

So the NAIC supports these jurisdictions as they protect consumers and maintain the financial stability of the insurance marketplace. They are divided on implementation and they have the capacity and the authority to be divided and to make decisions that really are best toward the residents of their states. That's why I think that it is important that this act be looked at as protecting and implementing state-based solutions in so many of these areas.

Margaret Flinter: So senator, as we find ourselves here early in 2013, I think you talked about one of the beauties of the Affordable Care Act being that states can

actually make it their own. The deadline has passed and 26 states I believe are opting out completely from setting up their own exchange deferring to the federal exchange. It seems that this is so central, the health insurance exchange, to the successful unveiling or unrolling of the Affordable Care Act and yet, we have issues of readiness of technology, we have certainly the readiness of the insurance plans who are going into the insurance exchange some for the first time, and then we have the readiness of the people who have to try and understand how do they do this new thing they have never done before. What's your perspective as you look around the country about our ability to meet those timelines as a country?

Ben Nelson: Well I think that the barriers are fairly clear that is time. Time is hardly ever your friend when you are up against deadlines. But on any sweeping change, you are going to find a range of opinions. The 56 members of the association on any one law or any part of the law, you are probably going to have at least 56 different opinions. And that's why 26 states have decided to opt out; others are trying to figure out a way to have a partnership; and others are scrambling to setup their own exchanges right now. But regardless, they have all shown an exceptional commitment. No state is abdicating its responsibility to regulate their health insurance market. Even if there is a federally operated exchange, all commissioners maintain and exercise their authority under state law to oversee the license to insurers and protect all consumers in their state. And as an organization, we at the NAIC will continue to focus our efforts on where there is consensus. And I know the states are working very closely with the Health and Human Services Department, they are working very closely with one another sharing the information so we have working groups and taskforces that are designed to make sure that consumer interests are protected and at the same time are focused on how to bring about compliance within that timeframe.

Mark Masselli: We are speaking today with United States Senator Ben Nelson, a Democrat from Nebraska who served in the Senate from 2000 to 2013. Senator Nelson is now the Chief Executive Officer of the National Association of Insurance Commissioners, representing all 50 states. Senator, I love your clarity about that while this bill was passed in Washington, its implementation is in the hands of your own state and key to that is the work and the role of the insurance commissioner along with others in their state and that NAIC membership organization of the states and territories is working in the back-end to help them facilitate the communication that's going on out of HHS. Tell us how that's going in your mind. October 1st is very close. Do you think they are going to be ready with all the answers that you need so that insurance commissioners can be successful in their own states?

Ben Nelson: What I can tell you is that by working together at the NAIC, the states are in a better position to marshal all the resources that are available for them and ultimately, the consumers to help with things like data collection, assimilation and coordination on federal policy issues. But each state offers a

unique opportunity for a solution and solutions to the problems. Through the NAIC, states come together to share these solutions and are talking with one another to build on technology and build tools where there is consensus. And it isn't to say that this is going to be easy to come into compliance and there is a great deal of concern about the timeframe. I mean the concerns are on record and that's how the process is supposed to work and that's why an open dialog with the HHS, Congress and other federal agencies is so critical.

Margaret Flinter: Senator, you have worked in many halls of government, worn many hats, and you were lauded during your time as Governor of Nebraska for bringing in balanced budgets I think every year of your administration. But certainly, in 2013, many governors are dealing with extreme budget challenges; Medicaid often becomes a focus of that as we look at Medicaid expansion. As you look across the country, how are you seeing states respond to that? Do you anticipate that states are going to embrace the Medicaid expansion or do you really see a retrenchment once the incentives for expanding over the next couple of years begin to go away?

Ben Nelson: Well, states are divided on what to do there for sure because state budgets are tight. If you ask that question 56 times, you will probably get 56 different responses.

Margaret Flinter: We will take yours.

Ben Nelson: Governors are struggling. I struggled; I know what it's like to try to make ends meet. But that's why the flexibility of the Affordable Care Act is so critical, especially in these tough economic times. Some states are responding by taking full control of their exchange and capitalizing on the grant money. There are some who are taking full advantage of the expansion of Medicaid. There seems to be some movement among some governors who originally said no on expansion of Medicaid and now are considering it from a different angle. Others are partnering and yet others are standing back and holding the federal government responsible for the full cost. But as a standard setting body, we are just simply on hand to assist with the deadlines through white papers that outline some decision points. And modern laws were possible to help the states implement and work individually as well as collectively. So we are optimistic that the states are going to be able to work their way through this but it's clear there is not going to be a single system or a single response that would apply to all the states.

Margaret Flinter: Senator, I want to pull the thread on the comment you made about the standard settings, and one of the aspects of the Affordable Care Act is that your organization NAIC is tasked with devise standards for essential health benefits to be covered in the insurance exchange plans. And one item certainly of note and causes a lot of strong emotions is the area around reproductive services. And there are many states who have different priorities for certain

kinds of coverage. So why is the discussion around essential benefits so critical and what does it really mean for the consumer?

Ben Nelson: Well, as it's called, the EHB, the Essential Health Benefits issue, it's a fine line to walk defining what's essential. And talking with insurers as they develop policies that meet those requirements while remaining affordable, trying to marry the essential benefits with affordable and available health care is not an easy task. Limiting the number of covered services also limits the cost of insurance coverage so regulators have consumers in mind (16:54 inaudible), making sure that critical care is delivered but at the same time at a cost they can afford and manage. What I would like to tell your listeners is that something that may really help them better make decisions when shopping for health insurance, that there is a light here that will shine on cost and on available benefits. If you go back to the nutrition labels that we find on packaged food, customers now are going to be able to do an apples to apples comparison on different policies. I think people in the past will look at policy A and then look at policy B and sometimes have trouble deciding which one is better for them or how do they even compare. Now they will be able to see for example, what a plan covers for pregnancy, I think they can make informed decisions. So in the midst of trying to define what are Essential Health Benefits, I do think that the point of comparison that people are going to be able to make between policies will help many folks decide what's essential for them.

Margaret Flinter: Well senator, let me stay with that theme of the consumer for another moment and the role of the insurance commissioner. She spoke to each state and the seriousness with which the insurance commissioner is charged with protecting the consumers. But it also seems that part of that protection is education of the consumer and really helping a populous that has never gone to this exchange to apply, to qualify for subsidies. It's a huge undertaking and I am not hearing so much about that. I wonder as you look around the country with your insurance commissioners, are there states that are way out ahead on this that are using particularly creative means to inform and educate the people of their state about what this is going to mean to them and how they are going to use it or just too early for that kind of activity?

Ben Nelson: Well I think the activity will ramp up the closer we get to the total implementation there is no question about that. But one of the systems that will be in place for me or the states is a system called Navigators which would be facilitators in effect people helping the applicants, those who are seeking insurance, work their way through the various different policies, helping them understand. Insurance agents will be a major player on that. I think the old saying is actually very true that is that insurance is most often sold rather than bought. In other words, someone will be helping consumers understand what the benefits are, point of comparison between policy A and policy B and helping them navigate through that system. It happened in very I think informed manner that when Part D of Medicare, prescription drug benefits were added, there was a

lot of concern that people would be just totally confused, wouldn't know what to do. But the fact that the acceptance of that program has been so widely hailed that people found that there was great market available to them, they navigated their way through it with the help of insurance agents, family members and others, and this will be just like that. But as we get closer, I think the information and education aspect of it will absolutely increase and ramp up.

Mark Masselli: We have been speaking today with Senator Ben Nelson, CEO of the National Association of Insurance Commissioners and the Center for Insurance Policy and Research. You can learn more about their work by going to www.naic.org. Senator Nelson, thank you so much for joining us on Conversations on Health Care today.

Ben Nelson: Well thanks to both of you. It's been a pleasure and I hope that we are helping add little bit of information to this very important area.

(Music)

Mark Masselli: At Conversations on Health Care we want our audience to be truly in the know when it comes to the facts about health care reform and policy. Lori Robertson is an award-winning journalist and Managing Editor of FactCheck.org, a non-partisan, non-profit consumer advocate for voters that aim to reduce the level of deception in U.S. politics. Lori, what have you got for us this week?

Lori Robertson: Well, Mark and Margaret, Republican Representative Paul Ryan released the new House GOP budget this week which revived some old claims about the Affordable Care Act. Ryan's budget would largely repeal the health care a lot but it would keep about $716 billion in Medicare cuts. These are actually reductions in the future growth of spending over 10 years. Ryan campaigned against these reductions when he was Mitt Romney's Running Mate last year in the Presidential campaign but the cuts are now part of his budget. Ryan claimed on Fox News Sunday that the health care law was taking this money away from Medicare and that he would end the raid on Medicare. But the fact is this money can't be taken away from Medicare; that's just not how Medicare's financing works. The program doesn't take in enough in taxes to pay for current benefits. So spending less than what was expected in the future actually shores up Medicare's finances.

When Medicare doesn't need to spend its payroll tax money right away, the money goes into the Medicare Part A Trust Fund. Instead of money, Medicare receives a treasury bond that it can cash in anytime it wants. Republicans do have a point when they say that the health care law double counts these Medicare savings as both extending the life of Medicare campaigns and expansion of insurance coverage. Both the Congressional Budget Office and Medicare's chief actuary has said that it can't do both things at once. But it's still

wrong for Ryan to say that the money is raided from Medicare. And that's my fact checked for this week. I am Lori Robertson, Managing Editor of FactCheck.org.

Margaret Flinter: FactCheck.org is committed to factual accuracy from the country's major political players and is a project of the Annenberg Public Policy Center at the University of Pennsylvania. If you have a fact that you would like checked, e-mail us at www.chcradio.com. We will have FactCheck.org's Lori Robertson check it out for you here on Conversations on Health Care.

(Music)

Margaret Flinter: Each week, Conversations highlight a bright idea about how to make wellness a part of our communities and everyday lives. When Derreck Kayongo was a young refugee living in Africa, he learned the true meaning of survival.

Derreck Kayongo: Child of war can be simply described as a kid caught between a rock and a hard place. It's finding all your pieces and **putting** them back together.

Margaret Flinter: Rescued by an aid organization and brought to the United States, he knew he had to do something to make a difference in the lives of those many children left behind, children displaced by war or by disease living in extreme poverty. 2.4 million children die each year from lack of access to basic sanitation.

Derreck Kayongo: We have about two million kids that die of sanitation issues mainly because they don't wash their hands.

Margaret Flinter: And when Kayongo learned that hotels around the United States dispose of 800 million bars of soap every year, he knew that was a resource to tap into. He founded the Global Soap Project. The discarded soaps are gathered and processed at a plant that sanitizes, melts and reforms new bars of soap that will be distributed around the world to children and families living in poverty or in disaster zones like Haiti. And with it, the children are given lessons in basic hygiene, some learning for the first time how to thoroughly wash their hands and why.

The Global Soap Project earned Kayongo the distinction of one of CNN's Hero Finalists, and he was also a winner in the Annual CLASSY Awards, which support philanthropic work that improves health and wellness around the globe. A simple idea, repurposing the waste of soap and providing one of the most simple tools of hygiene to those in need around the world, now that's a bright idea.

(Music)

Margaret Flinter: This is Conversations on Health Care. I am Margaret Flinter.

Mark Masselli: And I am Mark Masselli, peace and health.

Conversations on Health Care, broadcast from the campus of WESU at Wesleyan University, streaming live at www.wesufm.org and brought to you by the Community Health Center.