

July 30, 2010

Federal Legislative Update

In this update:

- FMAP Senate Vote to Take Place Monday
- Child Nutrition Reauthorization Update
- AAP Files Amicus Brief to U.S. Supreme Court on Vaccine Injury Compensation Program
- Health Reform Implementation: Pre-existing Conditions Regulation

FMAP Senate Vote to Take Place Monday

Yesterday, Senate Majority Leader Harry Reid (D-Nev.) offered a substitute amendment to an aviation reauthorization bill (HR 1586) that includes an extension of federal medical assistance percentage (FMAP) funding to state Medicaid programs, which are otherwise set to expire at the end of the year. Next Monday evening, Aug. 2, at 5:30 p.m. ET, the U.S. Senate is expected to vote on the amendment.

Senator Reid's amendment provides \$16.1 billion in increased emergency federal funding to state Medicaid programs. Earlier versions of this FMAP provision included higher federal contributions, but were not fully paid for and removed from previous jobs and tax extension measures. The \$16.1 billion authorized by Sen. Reid this week is paid for by other spending cuts and a vote on the amended bill is scheduled to take place Monday evening.

This FMAP amendment would provide much-needed fiscal relief to states as they work to recover from the impacts of the recent economic recession. FMAP is one of the most critical funding sources for children and Medicaid across the country—since more than 50 percent of Medicaid recipients are children, extending this increased FMAP is an essential investment in children's health.

Child Nutrition Reauthorization Update

This week, Senator Reid announced the possibility of bringing his chamber's child nutrition bill—the *Healthy, Hunger-Free Kids Act* (S 3307)—to the Senate floor before his chamber departs for Congressional recess on Aug. 8. Both chambers of Congress have already passed strong child nutrition bills out of committee, and the next step is for the legislation to be voted on by the full Senate and House.

Should the Senate pass the *Healthy, Hunger-Free Kids Act* before August recess, the legislation will have a much better chance of being signed into law by President Obama before the end of the year. The legislation reauthorizes many important child nutrition programs, including the National School Lunch and Breakfast Programs, WIC, and the Child and Adult Care Food Program, and includes other new policy changes such as the first increase in school meal reimbursement rates since 1973.

Please visit federaladvocacy.aap.org to take action on this issue by calling your U.S. senators or writing an opinion piece to your local newspaper.



Yesterday, AAP Board Member and Obesity Leadership Workgroup Chair Sandra Hassink, MD, FAAP, participated in a press conference alongside Senate Agriculture, Nutrition and Forestry Committee leadership urging passage of the *Healthy, Hunger-Free Kids Act*. View the full [press conference](#) and [photos](#) from the event, and become a fan of the [AAP Department of Federal Affairs on Facebook](#) to stay connected to AAP federal affairs events and activities.

AAP Files Amicus Brief to U.S. Supreme Court on Vaccine Injury Compensation Program

Today, the AAP joined 21 partnering health organizations to file an amici curiae ("friends of the court") [brief](#) in *Bruesewitz v. Wyeth, Inc.*, a case currently pending in the U.S. Supreme Court. In the brief, the AAP and its partners urge the Court to protect the Vaccine Injury Compensation Program established in the *National Childhood Vaccine Injury Compensation Act of 1986* ("Vaccine Act") by confirming that the law preempts design default claims against vaccine manufacturers.

The AAP and its partners stand by the current no-fault alternative Vaccine Injury Compensation Program (VICP) established through the Vaccine Act, which is intended to compensate the families of children who suffer from potential adverse reactions from vaccines and to safeguard the nation's vaccine supply. The AAP issued a [press release](#) on the filing today.

Health Reform Implementation: Pre-existing Conditions Regulation

On Wednesday, the U.S. Department of Health and Human Services issued a clarification of the provision under the new health reform law that requires health insurance companies to offer coverage plans to children with pre-existing medical conditions, noting that insurers are permitted to establish structured, open-enrollment periods for the plans in accordance to their respective states' laws.

Last week, several insurers announced that they had either stopped writing new child-only plans or anticipated having to do so because of the new law's requirement that health insurance companies honor all applications for child-only coverage after Sept. 23. The insurance industry argued that some parents would now sign up their children only when they become sick and would stop payments when they no longer need coverage. Industry officials contend that this will drive up medical costs and make insurers' financial risk unmanageable.

The Administration announced that it will allow insurers to establish an open enrollment period for the specific plans, but also warned that the Administration will issue additional regulations if insurance companies unfairly limit access to insurance for children who need it most.