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Medicaid Redesign, a Revolution in Patient Care

by Jason Helgerson, New York State Medicaid Director, and Kalin Scott, Medicaid Redesign Team Project Manager

Jason Helgerson

Kalin Scott

The Medicaid Redesign Team (MRT) is a nationally-recognized innovative effort which utilized an intensive stakeholder engagement process to reduce costs in New York's Medicaid program while focusing on improving quality and implementing reforms. Over its first five years, MRT will save the state and federal governments a combined $34 billion.

Medicaid Redesign is a multi-year effort to fundamentally transform a large entitlement program. In January 2011, Governor Cuomo created the MRT to uncover ways to save money and improve quality within the Medicaid program. The MRT included 27 members appointed by the Governor including health care industry leaders, business and consumer leaders, state officers, and state legislators.

Phase 1 of MRT focused on finding immediate savings ($4 billion) in the Medicaid program. The process included stakeholder and citizen engagement in ways never done before in New York. The MRT held public hearings, established a website, Facebook page, Twitter account and email address to collect feedback, and over 4,000 ideas were received in less than two months.

The MRT submitted its first report with findings and 79 reform recommendations to the Governor on February 24 for consideration in the 2011–12 State budget process. The package of reform proposals achieved the Governor's Medicaid budget target. The Governor accepted the recommendations, and sent them to the New York State Legislature in his revised budget bill. On April 1st, the Legislature approved a budget for 2011-12 that contained 78 MRT recommendations. Implementation of the recommendations began immediately and is currently in progress.

Phase 2 of the MRT focused on pursuing comprehensive reform. The MRT was subdivided into ten work groups, and engaged an even broader set of stakeholders with special focus on complex issues that were not addressed in Phase 1. The MRT met and approved work group recommendations in December 2011.

Phase 1 and Phase 2 recommendations were combined into a five-year action plan. The plan is the most significant overhaul of the New York State Medicaid program since its inception, and affects virtually every program element and population served by Medicaid. New York has launched four phases since 2011 comprising 235 different initiatives. Each initiative's implementation progress and performance is tracked and made public so New Yorkers can hold their government accountable for Medicaid Redesign. The focus on transparency and accountability includes a website and monthly report detailing spending in the Medicaid program.

The efforts of the MRT benefit Medicaid members, health care providers, other health care stakeholders, and all New York taxpayers, by improving quality and reducing costs. The MRT plan was a first-of-its-kind effort that introduced significant structural reforms that bend the Medicaid cost curve. The MRT achieved the savings without any cuts to eligibility or services. The plan reduced Medicaid spending by $4 billion in FY 2011-12 and enacted a series of measures to both control costs in the short-term and enact longer-term reforms. Perhaps more importantly, savings from MRT reforms will grow in future years as key structural reforms take root. In the first five years, MRT will save the federal and state government $34 billion. After years of unsustainable growth in New York's Medicaid program, spending on a per-recipient basis is now down to pre-2007 levels and overall spending has been held virtually flat.

The Global Medicaid Spending Cap has forced New York to track Medicaid expenditures more closely than ever before. A global spending report is published to the MRT website each month so the public can track performance relative to a spending target. Spending is tracked by sector and the report clarifies why spending may deviate from target.

New York is successfully imple-

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PRESIDENT'S CORNER

by Robert Reece, County Administrator, Pottawatomie County, Kansas

NACA President, Robert Reece

As summer draws to a close, I am sure the pace picks up for many of us in our respective communities. Fall is just around the corner, but I'd like to reflect on some of the high points for NACA this summer. This year, NACo strongly encouraged NACA to submit proposals for educational sessions at NACo's 79th Annual Conference in Orleans Parish/New Orleans, Louisiana. With excellent leadership and generous input from NACA board members and committee chairs, we submitted five proposals for consideration in May, and two of our proposals were accepted.

The Value of Professional Management, a topic that NACA presented at both the 2012 and 2013 NACo conferences, was offered again this year in New Orleans. Carl W. Stenberg, James E. Holshouser, Jr. Distinguished Professor with the School of Government at the University of North Carolina-Chapel Hill, served as an expert moderator for this year's panel. Two manager/commissioner teams gave first-hand accounts of the effective relationship between the elected official and the appointed professional. NACA's Southeast Regional Vice President Randell Woodruff, county manager of Beaufort County, North Carolina, was joined by County Commissioner Jerry Langley. NACA's Mountain Plains Region Director Hannes Zacharias, county manager of Johnson County, Kansas, was joined by County Commissioner Steve Klika. The two teams responded to questions on effective financial management, long term planning, human resources management, and effective checks and balances on hiring, contract approval, and technology advances. The NACo audience engaged in Q&A for a very interactive session.

NACA's second session, Refocus on Access to Healthcare Services, was presented by a dynamic team from Sussex County, New Jersey. John Eskilson, NACA's Northeast Regional Vice President and administrator for Sussex County, encouraged his staff's participation. Sussex County's Department of Human Services Administrator, Stephen Gruchacz moderated the panel of three Clinical Social Workers and an RN who helped to design and coordinate Sussex County's Transitional Care Program. Read more on page 4.

Thanks to steady relationship building during the past two years, NACA's visibility at both NACo and ICMA events is on the rise. In addition to our traditional Idea Exchange, NACA had an information table at the NACo conference where staff and board members were available to distribute materials on NACA membership as well as the spring issue of the NACA Journal of County Administration. A new banner highlights NACA and draws visitors to our information sharing efforts.

This month we will gather again at ICMA's 100th Anniversary Annual Conference in Charlotte / Mecklenburg County, North Carolina. As you review the ICMA educational program, keep an eye out for sessions that are flagged with this icon County Managers as being of specific value to counties. In addition, many of the 40 educational sessions, plus workshops, forums, Solutions Tracks, and roundtables offered will be relevant and of interest to county participants.

Thank you and I hope to see you in Mecklenburg County.

Robert Reece,
County Administrator, Pottawatomie County, Kansas
NACA President

NACA

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Past President Peter Crichton distributes NACA materials at an information table during the NACo Annual Conference in Orleans Parish/New Orleans, Louisiana in July.

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menting MRT recommendations and controlling Medicaid spending, all while enrollment has grown by more than 500,000 Medicaid members since April 2011. Thanks to MRT, taxpayers save money and more New Yorkers have access to vital health care services.

In addition to saving taxpayer money, MRT is improving health care outcomes for Medicaid members. The National Committee for Quality Assurance (NCQA) recently analyzed New York's Medicaid health care plans against 76 different quality measures. New York's plans are especially successful when it comes to offering the right type of care for common, costly diseases, including diabetes, childhood obesity, smoking cessation, and follow-up care for the mentally ill. NCQA found that New York is a national leader, second only to Massachusetts in terms of overall quality.

The MRT plan substantially improves the quality of the Medicaid program for members. More than five million Medicaid members stand to benefit from investments in high-quality primary care and care coordination through major MRT reforms such as Care Management for All, Patient-Centered Medical Homes, and the creation of Health Homes. MRT reforms also address social determinants of health, which are often more important to the health and well-being of Medicaid members than the health care delivery system. New York is implementing health and public health strategies to eliminate health disparities, significantly expanding access to supportive housing and redesigning the Medicaid benefit to improve population health.

Care Management for All provides access to "care management" for all Medicaid members. New York is committed to ensuring that every Medicaid member has access to high-quality, cost-effective, effectively managed healthcare by phasing out the inefficient "fee-for-service" system that encourages volume over value. Care management for all ensures that incentives are better aligned around improved health and cost effective delivery. New models of care management have been developed to ensure that special populations obtain the services they need (i.e., self-direction and specialized health plans for people with serious and persistent mental illness). The end result will be healthier patients and lower program costs.

In addition, more than one million New York Medicaid members have been enrolled in Patient-Centered Medical Homes (PCMH) and Health Homes. Health Homes are more expansive in their care coordination capacities than PCMH and target high-need/high-cost populations. PCMH and Health Homes are fully integrated with care management and together represent a major sea change in how health care is provided to millions of New Yorkers.

The success of Medicaid Redesign has been recognized by the Centers for Medicare and Medicaid Services (CMS) with approval of an $8 billion waiver amendment that will reinvest MRT-generated savings back into New York's health care delivery system through a Delivery System Reform Incentive Payment (DSRIP) program. The funding will allow for full implementation of the MRT action plan and also provide an opportunity to address the underlying issues facing New York: lack of primary care, weak health care safety net, health disparities and transition challenges to managed care. In particular, a core goal of the MRT waiver amendment is to reduce avoidable hospital use by 25% in five years and 50% in ten years. The DSRIP program will promote community-level collaborations and focus on system reform, specifically a goal to achieve a 25 percent reduction in avoidable hospital use over five years. Safety net providers will be required to collaborate to implement innovative projects focusing on system transformation, clinical improvement and population health improvement. Single providers will be ineligible to apply. All DSRIP funds will be based on performance linked to achievement of project milestones.

New York is poised to fundamentally transform its Medicaid program into a national model for cost-effective health care delivery. It is up to the state, New York counties, stakeholders, and the broader New York community to continue to work together to successfully implement this multi-year action plan.

More information on the MRT is available at www.health.ny.gov/mrt ■

Jason Helgerson *became New York's Medicaid Director on January 5, 2011. New York's Medicaid program provides vital health care services to over 5.3 million New Yorkers and has an annual budget in excess of $54 billion. Jason also serves as Executive Director for New York's Medicaid Redesign Team. In this capacity he leads Governor Cuomo's effort to fundamentally reshape the state's Medicaid program to lower costs and improve health care quality.*

Prior to arriving in New York, Jason was Wisconsin's Medicaid Director. He administered the state's nationally recognized BadgerCare Plus program for children and families (Wisconsin's Medicaid, and SCHIP); BadgerCare Plus Core Plan; SeniorCare (Pharmacy Plus Waiver); FoodShare (Supplemental Nutrition Assistance Program); and Wisconsin's Chronic Disease Program.

Jason received his Master of Public Policy degree from the University of Chicago in 1995, and his B.A. in Political Science from American University in Washington, DC in 1993. He is also a Clinical Associate Professor at the State University of New York at Albany, School of Public Health.

Kalin Scott *has served as Project Manager for the Medicaid Redesign Team (MRT) since its inception in January 2011. In this role, she oversees planning, implementation and tracking of more than 230 MRT projects.*

Prior to her role as Project Manager, she served in New York's Governor's Office as the Assistant Director of the Office of Taxpayer Accountability. Kalin also worked as a program analyst for the Governor's Deputy Secretary for Health and Human Services. She is currently pursuing her Master of Public Administration from Rockefeller College at the University of Albany.

The Sussex County Transitional Care Program

by Sussex County, New Jersey, Department of Human Services

The Sussex County Transitional Care Program (TCP) emphasizes patient-centered services, continuity of care and prevention of unnecessary hospital readmissions and emergency room visits through the collaboration of physicians, nurses, social workers, family care-givers and the network of community human service agencies.

The Sussex County Department of Human Services initiated this innovative program in February 2012 in partnership with Newton Medical Center, Premier Health Associates, Bridgeway, Karen Ann Quinlan Hospice and the State of New Jersey.

In 2013 the Transitional Care Team enrolled 648 patients into the program. TCP team conducted 463 home visits, 2,302 telephonic case management contacts, completed 369 Personal Health Records, 69 sub-acute rehabilitation facility visits and maintained a 5% readmission rate. TCP has provided referral and linkage to over 450 community assistance programs. Program components include visiting the patient bed-side during hospitalization, screening for appropriate service and program eligibility, and scheduling a post-discharge home visit. These visits are to assist the patient and/or their caregiver(s) in the creation of a Personal Health Record that includes all pertinent medical information and personal goals, a review of all medications that are taken at home and newly prescribed at the hospital and to communicate concerns, problems or issues to their primary care physician. By collaborating with the Division of Senior Services and the Division of Social Services, the Transitional Care Program is able to help link patients to other important services such as home health aides, prescription assistance, light housekeeping services, health and wellness programs and transportation.

The TCP Social Workers also help facilitate the post-discharge physician follow-up visit. Several studies have documented the importance of a follow-up visit with the primary care physician and its effects on hospital readmissions and medication compliance. The TCP has achieved a 92% success rate compared to the National average of approximately 25%.

The Sussex County, New Jersey, Transitional Care Program Team. Standing: Stephen Gruchacz, Administrator, Sussex County Department of Human Services; Seated Left to Right: Regina Hanapple, CSW; Elizabeth Larsen, CSW; Donna Green, CSW; Sarah Balzano, R.N.

The Sussex County Department of Human Services, Transitional Care Program was invited to participate in the 79th National Association of Counties (NACo) Annual Conference, which focused on key issues important to counties, such as transportation, resiliency, healthcare, criminal justice and economic development. The conference was held in Orleans Parish (New Orleans), LA., July 11–14, 2014.

The Sussex County Transitional Care team, represented by Stephen Gruchacz, Administrator for the Department of Human Services; Sarah Balzano, RN, Transitional Care Coordinator; Regina Hannapple, SW; Elizabeth Larsen, SW; and Donna Green, SW, presented an educational workshop at the conference titled "Refocus on Access to Healthcare Services." The workshop addressed the great need to refocus healthcare service to address unsustainable increases in healthcare costs, older adults experiencing multiple hospital readmissions, fragmented communication among providers and cuts to funding. By creating a public-private partnership with Newton Medical Center and Premier Health Associates, the county-led Transitional Care program brings services directly to high-risk patients, reduces traffic to the Divisions of Social Services and Senior Services, receives grant funding and generates revenue.

"The opportunity to present the Sussex County Transitional Care Program on the national stage and have a dialogue with county leaders from all parts of the country was a terrific educational experience. Clearly, there were no other counties leading such a program, and we have been invited to have follow-up discussions regarding our approach to serving citizens with several other representatives," said Stephen Gruchacz. "Our data provided the foundation for others to look at replicating this simple yet unique concept. Our philosophy is to bring the community together (physicians, acute care, sub-acute facilities, community agencies and coordinate services without

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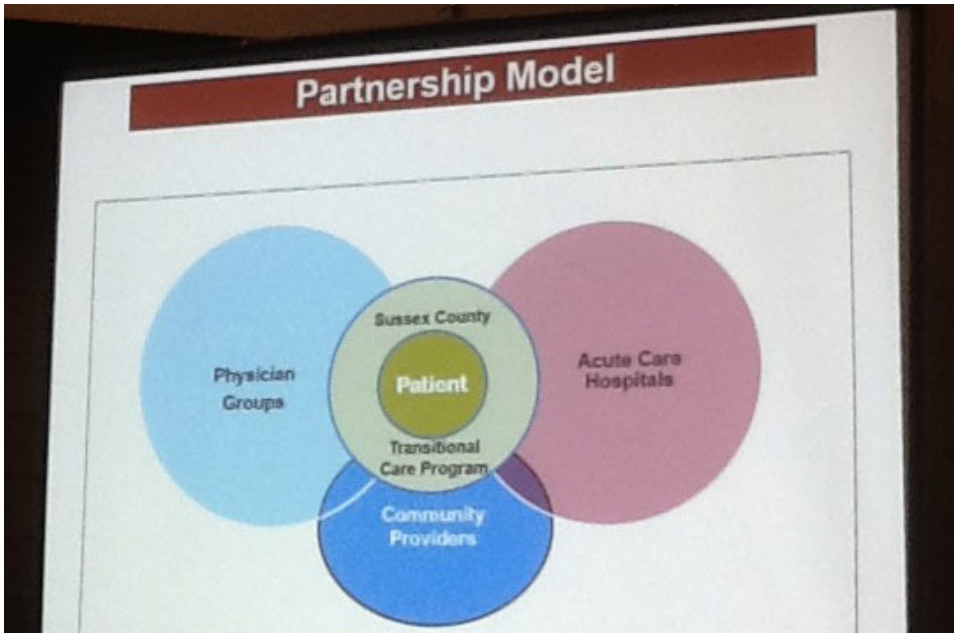
regard for a specific agency."

In addition, the Sussex County Transitional Care Program (TCP) was asked to participate in a national webinar entitled "The Best of New Jersey – Care Transitions Communities" on Wednesday, June 25, 2014. The event was sponsored by Healthcare Quality Strategies, Inc. (HQSI). This group is the Medicare Quality Improvement Organization for New Jersey, under contract with the Centers for Medicare & Medicaid Services (CMS), an agency of the U.S. Department of Health and Human Services. Sussex County was one of only five selected to present Care Transitions data at this national event that focused on sharing best practices across New Jersey, patient stories and lessons learned related to improving the safety of care transitions and reducing avoidable hospital readmissions in the community.

Sussex County, represented by Sarah Balzano, RN, Transitional Care Coordinator, focused on "Public-Private Partnerships." The presentation included the fact that in New Jersey from 2011 through 2013, there were 6,900 fewer admissions, nearly 3,000 fewer readmissions and over $26,000,000 saved in Care Transitions. During this same period, the top achievers in "Reducing Admissions" were Sussex County—12.46%, Central Jersey—10.79%, and Greater Trenton—9.63%. Top achievers in "Reducing Readmissions" was Sussex County—23.24%, Greater Trenton—18.26%, and Atlantic-Cape—16.95%. The top achievers in "Readmissions from Home Health Agencies" were Sussex County—26.25% to 18.86%, Atlantic Cape—22.82% to 20.64%, and Greater Trenton—23.69% to 22.29%. To view the entire HQSI presentation, go to http://www.sussex.nj.us/documents/dhs/2014/bestofnewjersey.pdf.



The Sussex County program is based on components from several national models for transitional care services, including the Care Transitions Interventions known as the Coleman model, and the Transitional Care Model developed at the University of Pennsylvania by Dr. Mary Naylor.

Dr. Naylor is the chief architect of the nationally acclaimed Transitional Care Model (TCM) which is an evidence-based program of services of follow-up care for at-risk chronically ill older adults connecting patients being discharged from the hospital to post-discharge community-based services. A kick-off event, "Understanding Transitional Care: A Conversation with Mary Naylor, PhD, RN, FAAN" was held at Sussex County Community College.

The program is funded by $100,000 from Newton Medical Center, $45,000 from the State of New Jersey and $100,000 in County funds. In addition, Premier Health Associates provides the services of Dr. George Wang, a Gerontologist from Johns Hopkins University, as Medical Director for the program. Dr. Wang stated that, "The Sussex County Transitional Care Program is taking an innovative model of health care delivery and putting it into practice right here in our own backyard. As a clinical investigator, I appreciate the importance of having all the right ingredients in the right place in order to take an innovative model like this and make it a reality in daily clinical practice. It appears that we have all the right ingredients and the right people to keep this successful program going—and the citizens of Sussex County are the beneficiaries." ■

by Joan McCallen, President and CEO, ICMA-RC
and John Saeli, Vice President, Market Development and Government Affairs, ICMA-RC

Increased Regulatory Activity and Limited Congressional Action in Advance of 2014 Mid-Term Elections

Moving forward to this fall's mid-term congressional elections, there has been limited activity on Capitol Hill that could affect retirement plans. The executive and judicial branches of government, however, have been active. Federal regulators finalized long-anticipated regulations on money market funds and modified rules to facilitate the purchase of "longevity" annuities in retirement plans, while the Supreme Court unanimously ruled that inherited Individual Retirement Accounts ("IRAs") are not protected in bankruptcy.

Money Market Fund Regulations Changed. The Securities and Exchange Commission ("SEC") adopted changes to the regulation of Money Market Funds ("MMFs") in July. The changes are designed to address the susceptibility of MMFs to unusual redemptions in times of financial stress like that experienced during the financial crisis of 2008. MMFs traditionally have a constant Net Asset Value ("NAV") of $1.00. Under the new rules, institutional MMFs must permit the NAV to fluctuate based on the value of assets held by the fund, in a manner similar to a short-term bond fund. This change does not affect retail MMFs, defined as funds with policies and procedures reasonably designed to limit beneficial ownership to "natural persons," which will be allowed to continue to maintain a stable $1.00 NAV. Participant-directed defined contribution retirement plans, e.g., government 401 and 457 plans, generally will qualify to invest in retail MMFs, and therefore will not be subject to the change.

Both institutional and retail MMFs will be allowed to assess a liquidity fee of up to 2 percent or temporarily suspend redemptions for as long as 10 business days if the fund's liquidity drops below a minimum level and if such action is deemed in the best interest of the fund. Government MMFs, defined as funds that invest 99.5 percent or more in cash, federal government securities and/or repurchase agreements backed by federal government securities or cash, may maintain a constant $1.00 NAV and are not subject to the liquidity fee or suspension provisions. Institutional funds invested in municipal securities will not receive the benefit of this provision and, therefore, will be subject to the floating NAV requirement and liquidity provisions described above. Fund companies must implement these changes within two years of the effective date of the regulation.

Regulatory Change Enables In-Plan "Longevity" Annuities. The Internal Revenue Service and Treasury Department in July amended the Required Minimum Distribution ("RMD") rules to permit the expanded use of "longevity" annuities in retirement plans. The use of longevity annuities, which begin to make payments upon an individual reaching an advanced age (such as 85), is one way of managing the risk of outliving retirement plan savings. The new regulations make longevity annuities a more attractive planning option by addressing a challenge that the previous RMD rules had presented for these annuities when purchased with assets held in a retirement plan or IRA.

The Internal Revenue Code requires individuals to commence distributions from Section 401(a) qualified retirement plans, 403(b) plans, 457(b) plans, or IRAs by their "required beginning date," which generally is April 1 following the year in which they reach age 70½. The new regulations amend the RMD rules to provide that longevity annuities purchased with plan or IRA assets no longer need to begin payments by age 70½ as long as the contract meets the definition of a "qualifying longevity annuity contract," including imposition of certain limits on total premiums. The value of these annuities is excluded from the account balance used to calculate an individual's RMD prior to commencement of annuity payments.

Inherited IRAs Lose Bankruptcy Protection. The U.S. Supreme Court on June 12 unanimously ruled in *Clark v. Rameker* that inherited IRAs do not qualify as "retirement funds," but rather are considered to be "money that can be freely used for current consumption," and therefore are not exempt from a debtor's bankruptcy estate.

When an IRA owner dies, for non-spouse beneficiaries the IRA is categorized as "inherited" under the Internal Revenue Code, and is therefore subject to different rules regarding contributions and distributions. In 2005, Congress amended the Bankruptcy Code to provide that certain retirement funds, including IRAs, are exempt from a debtor's bankruptcy estate. The amendment did not specify whether inherited IRAs qualify as "retirement funds" and therefore whether they are exempt from bankruptcy estates.

The Supreme Court's decision may affect the role IRAs serve as part of an overall retirement savings strategy, how individuals designate beneficiaries for

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their IRAs, and how IRAs are treated in the overall context of estate planning. Although the case did not involve a spouse, the Supreme Court implied that if a spouse inherited an IRA and elected to treat it as his or her own, the IRA would be protected in bankruptcy.

Report on Managed Accounts Published. The Government Accountability Office ("GAO") in July released a report on the use of managed accounts in retirement plans. The report, *"401(k) Plans: Improvements Can Be Made to Better Protect Participants in Managed Accounts,"* focuses on the fees and performance of these accounts, asserting that they may underperform other investments and that the additional fees for managed accounts offer "no guarantee of higher rates of return compared to other providers or compared to the reported rates of return earned by participants who invest in other professionally managed allocations or who self-direct investments in their 401(k) accounts." GAO states that it is potentially difficult for participants to evaluate whether the additional fees for managed accounts are worth paying. The report points out that, according to managed account providers, managed accounts can enhance diversification and encourage higher savings rates, but GAO concludes that higher fees may offset those advantages.

The report concludes that plan sponsors should receive additional information to evaluate managed accounts and recommends that the Department of Labor take a number of actions, including the provision of guidance to plan sponsors for selecting and overseeing managed account providers that addresses: (1) the importance of considering multiple providers when choosing a managed account provider, (2) factors to consider when offering managed accounts as a Qualified Default Investment Alternative ("QDIA") or on an opt-in basis, and (3) approaches for evaluating the services of managed account providers. Managed accounts were made eligible QDIAs under the Pension Protection Act of 2006.

Legislation Introduced to Expand Early Withdrawal Penalty Exemption. House Ways and Means Committee members Bill Pascrell (D-NJ) and Dave Reichert (R-WA) in May introduced legislation, H.R. 4634, to amend federal tax law to allow public safety workers access to defined contribution retirement accounts without penalty on or after age 50. Generally, under current law, a 10 percent penalty tax is assessed on taxable income withdrawals from retirement accounts before age 55 (or age 59½ for in-service withdrawals), unless an exception such as death or disability, applies. The 10 percent penalty does not currently apply to government 457(b) plans (except for rollovers from non-457(b) plans) or public safety employees' defined benefit plan distributions after age 50 (except for defined benefit plan assets rolled into a defined contribution plan and then distributed).

by Eugene Smith, NACA Past President, County Manager, Dunn County, Wisconsin

2,600 elected and appointed officials participated in the 79th National Association of Counties (NACo) Annual Conference, which focused on key issues important to counties like transportation, resiliency, healthcare, criminal justice, and economic development. The conference was held in Orleans Parish (New Orleans), Louisiana, July 11–14. Attendance at this year's conference was up approximately 30%.

This year's theme focused on how counties, known as parishes in Louisiana, foster innovation and resilience during challenging times. NACo President Linda Langston, supervisor, Linn County, Iowa, made Resilient Counties the signature initiative of her term as NACo's president.

"NACo's annual conference is the largest opportunity for counties to learn from one another, share best practices and set national priorities for the year ahead," said Langston. "Counties constantly work to strengthen resilient, safe, healthy, economically competitive communities across the country. This gathering provided countless concrete examples of delivering cost-effective services to residents."

The purpose of the conference is to provide opportunities for county leaders and staff to learn, network and guide the direction of the association's national advocacy efforts. Many Chief Administrative Officers, not all of whom are NACA members attend and participate.

U.S. Senator Mary Landrieu (D-La.), chair of the Senate Energy and Natural Resources Committee, spoke at NACo's closing general session and its Western Interstate Region Board meeting. She discussed her plan to fully fund the Payments in Lieu of Taxes (PILT) and Secure Rural Schools programs and increase revenue-sharing with resource-producing states.

"In my view, the country has not quite figured out how to give back what we take," Landrieu said. "We just need a portion to restore our coast. It's the most threatened coastline in America."

Speaking at the opening general session, U.S. Senator David Vitter (R-La.) underscored the critical link between economic growth and the country's transportation network, calling it "the backbone of the economy."

Workshop topics included workforce and economic development; healthcare; criminal justice; county administration; and cybersecurity and technology.

The NACo Board of Directors met at the Conference and moved forward numerous official policy resolutions which were acted upon and that will guide the association's federal legislative and regulatory efforts over the next year. They address issues such as budgets and revenues; rural and urban development; transportation; public safety; emergency preparedness and response; environmental protection and energy efficiency; housing and community development and more. Resolutions will be available online in the coming weeks ■

Upcoming Webinars from NACo

Care Coordination: An Opportunity to Help Drive Change (Thursday, September 18, 2014; 2:00-3:15 p.m. Eastern Time)—Care coordination for vulnerable populations particularly those living with mental health and/or substance use disorders can be challenging. This webinar explores will explore factors to consider when bringing together primary care providers, mental health and substance use treatment and/or social service agencies to develop processes to coordinate care.

Using Juvenile Justice Receiving Centers to Improve Safety & Outcomes (Thursday, September 25, 2014; 2:00-3:15 p.m. Eastern Time)—"Receiving Centers" for juveniles who are arrested or picked up by law enforcement officers for status or misdemeanor offenses offer a number of benefits to counties. These centers allow officers to drop off youth and quickly return to their duties in the community, provide a secure environment for juveniles and can identify underlying causes of delinquent or problem behavior. Join NACo to learn about receiving centers in Calcasieu Parish, La., and Tulsa County, Okla.

Mental Health Parity: What it Means for Counties as Providers (Thursday, October 2, 2014; 2:00-3:15 p.m. Eastern Time)—The regulations for the Mental Health Parity Law are now final. Health insurance plans must provide equal coverage for physical and behavioral health services. What does this mean for your county? How do these regulations interact with the Affordable Care Act? What are the challenges and/or opportunities for implementing mental health parity? Join county leaders and United Health Care to discuss the implications of mental health parity for your county.

Go to the NACo website for additional information and to register for NACo webinars.

with Dr. Costis Toregas, The George Washington University

Health Information Systems–enabler or vulnerability?

The challenges of health systems across all local governments are many: revenue sources that shift and disappear, constantly increasing costs that never seem to pause, a dearth of professionals ready to join the labor pool, and a relentless emergence of new and deadly viruses. To counter this negative picture, many are turning to information technology and Health Information Systems for help. And indeed technology can give a significant boost in many diverse areas

- **Wearable technology** that can monitor, document and connect individual patients and their vital signs to systems that can intervene when the right time is indicated. From blood pressure monitors hooked to I-phones and real time systems that can track and compare many signs of an impending body malfunction and relay that to automated or human sentinels that can help reverse deteriorating situations. We will be seeing more and more intelligent devices abound. Connect that to the emerging "Internet of Things" environment where everything is connected to everything else—from medicine cabinets to payment authorization systems to medical supervisory charts and you get the idea…
- The **Open Data** movement that is making it possible for information on patients, governments and providers to be linked in more convenient and efficient ways. Acting within the restrictions and privacy concerns of legislation such as HIPPA (the Health Insurance Portability and Accountability act), the open platforms and ease of sharing data can do a lot to improve processes at a time when speed of access to key information can make a big difference in health outcomes
- The major investment made by governments and industry in Geographic Information Systems **(GIS)**, coupled with location-enabled systems can make health assessments richer and more accurate. When a doctor evaluates a patient today, they only have the physical data they can access on the spot; with GIS, they may be able to ascertain the patient's whereabouts in the previous few weeks, match it with known outbreaks of specific diseases, and make their diagnosis based on a global perspective of potential risks.

Against this explosion of great innovation and potential, we have to be balancing concerns of privacy and cyber security. Simple questions of who can use data gathered for one reason to pursue a worthwhile separate cause undergirds the privacy question, well known to the medical profession. Using health data from an individual patient in order to learn about the disease in a research mode is a constant ethical dilemma that separates medical practitioners and researchers. And given the increasing reliance of an aging generation on health systems, the potential trove of data on our lives and habits make health systems a strong target for cyber hackers who would use it for private, illegal gain. The idea that countless patients that depend on county systems might be put at the mercy of third party hackers who might indeed penetrate the vast health system at crucial points such as drug dispensing or billing is a chilling thought indeed.

Should these fears temper the way in which we approach these new technologies? Surely we must answer this question with a resounding "No!" We can build in adequate safeguards-indeed we must. We can continue to train our personnel in the importance of secure operations, and we can insist that our systems are up to snuff in the cyber arena. But most importantly, we must push forward with our efforts to broaden the innovative use of health systems that improve both individual outcomes, but also county-wide effectiveness.

Indeed the NACo leadership is pushing forward on these platforms; recently a congressional staff briefing was held to brief them on the importance of the role counties play in providing behavioral health services and the need for integrated electronic health records and the pioneering strategies deployed by counties such as Salt Lake. The benefits of the 2009 Health Information Technology and Clinical Health (HITECH) act could be extended to behavioral health providers and make such systems more attractive to develop and deploy.

The health system challenges are significant, but there is a technology element that can provide help. We must be open to it, and act decisively. I hope you agree with me ■

Local Governments Urged to Fight for Marketplace and Internet Tax Fairness and Highway Trust Fund

by Christina Barberot, Public Policy Coordinator, ICMA

The House of Representatives passed H.R. 3086 on July 16, making the Internet Tax Freedom Act (ITFA) permanent. The most recent estimate from the Congressional Budget Office indicates that H.R. 3086 would cost local and state governments hundreds of millions of dollars in lost revenues. ICMA joined with NACo and other state and local government organizations to oppose this legislation.

This bill also would let the grandfather clause expire, causing many local governments to lose revenues they currently collect. The debate now shifts to the Senate where a new bipartisan bill combines the Marketplace and Internet Tax Fairness Act. ICMA and NACo joined state and local government organizations to support Senate Bill 2609, which levels the playing field between Main Street merchants and remote sellers and extends the moratorium on Internet taxes for 10 years while retaining the grandfather clause. The Center for Budget and Policy Priorities calculates that "the ITFA ban on state and local sales taxation of monthly Internet access fees costs state and local governments about $6.5 billion annually in forgone revenue, and the states and localities currently taxing access under ITFA's "grandfather" provision would lose at least $500 million on top of that each year if the provision expired."

The Highway Trust Fund (HTF) is also near insolvency. ICMA, NACo, and the national associations representing local and state governments have again urged Congress to find a long-term fix for the HTF and pass a multi-year surface transportation authorization bill. State and local governments are the owners and operators of 97 percent of the nation's interconnected surface transportation systems. Jobs, infrastructure projects and the safe and timely movement of freight are now at risk because of the impending insolvency of the HTF. Federal inaction and short-term extensions create uncertainty at the state and local levels, which hinders transformative transportation investments and prevents our nation's economy from moving forward.

Ironically, following the Senate passage of the Marketplace Fairness Act last year, several states made plans to use their increased internet sales tax collections to pay for investments in critical services such as highway and infrastructure improvements. These commitments, however, are dependent on the enactment of legislation this year.

The implications on state and local budgets due to the erosion in sales tax revenues and the lack of funding for the HTF will be devastating. The remote sales tax issue is not about enacting new taxes—it is about collecting taxes that are already owed. City and county officials are encouraged to contact their Senators and Representatives and urge them to "oppose the Internet Tax Freedom Act" and find a long-term plan for surface transportation. This is the perfect opportunity to showcase one or more critical surface transportation projects that need funding within their home districts ■

Join Your County Colleagues at ICMA's 100th Anniversary Conference

EVENT	DATE	TIME	LOCATION
Executive Board Meeting	Sunday, September 14	9:00-11:00am	Charlotte Convention Center Room 212 A, Meeting Room Level
Idea Exchange	Sunday, September 14	12:45-2:45pm	Charlotte Convention Center Room 207 B
No Host Dinner	Sunday, September 14	7:00pm	Charlotte Location TBD
Past Presidents Gathering	Monday, September 15	4:00pm	Charlotte Location TBD