

GovWin Pulse: Looking Forward to 2011 in Health Care and Social Services

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The end of 2010 saw plenty of activity in the health and social services markets, and the beginning of 2011 is no different. Besides making painful budget decisions when it comes to health and social services, states are readily gearing up for implementation of the health care law.

We will see much activity around health insurance exchanges in 2011 as states prepare for the readiness determination deadline in January 2013 and the go-live deadline the following January. About half the states have filed a federal suit claiming the health law is unconstitutional; however, some states are moving right ahead with needs assessments and gaining consensus on direction. **New Hampshire's** insurance exchange business design will be ready in early 2011 with plans for implementation later this year. **Iowa** aims to launch a pilot in early 2011, but enhancements are needed to meet federal requirements. Some states have been busy gathering meetings and creating focus groups to obtain GovWin for advisory boards and policy makers. States are looking to their legislatures and those advisory groups for recommendations on how to move forward.

California was the first state to pass legislation to authorize the exchange and has organized an executive board to oversee implementation. One decision for states to make is whether to govern the exchange through an existing state department, create a new one, or create an independent nonprofit. **North Dakota's** legislature will be making the decision on if the state will run their exchange and which department (insurance or human services) will receive the resources and budgets for the initiatives. Likewise, **Colorado** is looking to its 2011 legislature for its governing structure. **Maryland** created an advisory board that released recommendations on how to implement health reform in the state and suggested introducing the exchange as a public entity verses a private nonprofit organization. **Oregon**, too, has created an advisory group to assist the Oregon Health Authority plan for the state's exchange. Illinois released a **planning solicitation** for its exchange last month, along with another **solicitation** for a needs assessment for continued planning for the Affordable Care Act (ACA).

States will need to determine if there is a need to develop a new IT system or if existing systems can be adapted for the exchanges' purpose. Other opportunities related to the ACA that will begin to surface over the next year include business requirements for eligibility systems to support Medicaid, the Children's Health Insurance Program and interoperability among the insurance exchanges, health information exchanges, and Medicaid management systems.

As for the social services market, the United States Department of Agriculture (USDA) reported the Supplement Nutrition Assistance Program (previously known as Food Stamps) hit a record high toward the end of 2010 with **43.2 million people** receiving assistance. This presents human service agencies with a challenge at a time when funds are tight. However, some counties, like **San Diego** were able to find efficiencies with their system, though there has also been an increase in reports of **fraudulent activities** in states. Upgrading technologies such as business intelligence systems, coupled with the use of geographic information systems and electronic benefit cards can assist in reducing fraud. North Carolina released a **request for information** in December 2010 to expand the use of plastic card technology as a cost containment strategy for food programs and Temporary Assistance for Needy Families (TANF), which is another assistance program stretched thin in these economic times. The TANF program is due for reauthorization in September 2011, and states will be busy this summer submitting detailed reports to Congress to use in examining the legislation to reauthorize the program.

Also in 2011, contingent on the availability of funds, the USDA's Food and Nutrition Service (FNS) plans to competitively award **grant** funds to Women, Infant and Children (WIC) state agencies to support WIC Electronic Benefit Transfer (EBT) project planning activities. These funds will prepare states to meet the mandate that all WIC agencies have statewide EBT by 2020, which was signed into law through the Child Nutrition Act by President Obama in December. Nineteen states are in planning stages for the WIC EBT. See GovWin's **WIC Application Profiles** for further activities. In December, we saw **Iowa** release a request for

proposals for a planning contractor for WIC EBT. **Oregon** also released a solicitation for consulting services as it looks to move to a Web-based FNS-compliant system that is EBT-ready. With nearly half of the states lacking WIC EBT activity, there's plenty of movement to come with these EBT initiatives. All in all, 2011 will be a year of much anticipated activity in the health and human services markets.