

## Pulse: State Health Care: Biden's new lifeline for struggling states

BY RACHEL ROUBEIN, SUSANNAH LUTHI | 01/15/2021 12:40 PM EST



U.S. President-elect Joe Biden delivers remarks before announcing members of his cabinet. | Photo by Chip Somodevilla/Getty Images

### ON TAP

— **Biden's new Covid-19 relief plan** would bolster states' vaccination efforts, testing capacity and public health workforce.

— **States with conservative Medicaid waivers** are signing onto a Trump administration strategy making it harder for Biden to undo their programs.

— **The Trump administration finalized a policy** allowing states to ditch their Obamacare exchanges.

**Welcome to PULSE: State Health Care**, where your authors are happy to say at least one person is having a good week: [this Maryland man won his second lottery in just over a year](#). Tips to Rachel ([rrouben@politico.com](mailto:rrouben@politico.com)) and Susannah ([sluthi@politico.com](mailto:sluthi@politico.com)).

## DRIVING THE DAY

**WHAT'S IN BIDEN'S PANDEMIC PLAN FOR STATES** — President-elect Joe Biden's newly unveiled [\\$1.9 trillion coronavirus relief package](#) includes a surge of new funding to prop up states' sluggish vaccination efforts, boost coronavirus testing and reinforce an underfunded public health workforce.

— Biden wants \$20 billion to help states, tribes and localities launch community vaccination centers and deploy mobile units to rural America.

— The plan calls for \$50 billion to expand lab capacity and purchase rapid tests so all Americans can be tested for free.

— Biden's proposal funds 100,000 public health workers to boost vaccine outreach and contact tracing. The summary didn't include a price tag, but [previous independent estimates found it would cost \\$3.6 billion](#) to temporarily hire 100,000 public health workers during the pandemic.

**STILL ON TAP TODAY:** The long-awaited rollout of Biden's vaccine distribution plan, as he pledges 100 million shots within the first 100 days of his administration.

**MEANWHILE...** States are still working through the Trump administration's abrupt shift in vaccination plans earlier this week, amid concerns the changes could [sow more confusion](#) into an already chaotic process.

Multiple state officials said they didn't receive advance warning of the three policy changes: releasing all available vaccines, rather than holding back booster shots; tying states' allotments to the pace of vaccinations and their 65-and-over populations; and urging states to prioritize doses for older and high-risk adults.

But it turns out states aren't set to receive increased shipments next week, despite the Trump administration's earlier announcement. Oregon's Democratic Gov. Kate Brown on Friday morning [tweeted that Gen. Gustave Perna of Operation Warp Speed](#) told her there aren't actually reserve doses, apparently confirming a [Washington Post report](#) that broke earlier in the day.

"Oregon's seniors, teachers, all of us, were depending on the promise of Oregon's share of the federal reserve of vaccines being released to us," Brown said on Twitter.

As states moved this week to rapidly open up vaccine eligibility, experts had already warned that supply was already lagging far behind demand — further frustrating an already sick and tired populace.

Maryland Gov. Larry Hogan, who like many governors is facing criticism for his state's sluggish rollout, said vaccinations are ramping up. "We're now far outpacing the supply, so the problem is we're going to run out soon," he told reporters Thursday.

**Beyond the supply question,** state officials also say the administration's moves to overhaul the system could widen inequities and scramble their carefully crafted plans. In Arkansas, Republican Gov. Asa Hutchinson warned the change in methodology will shortchange more rural states. Claire Hannan of the Association of Immunization Managers feared unpredictable allocations would complicate vaccine planning.

Adding to some of the ongoing confusion, some county officials say they haven't gotten guidance from state officials about whether they can start vaccinating new groups.

That's according to Blaire Bryant, associate legislative director for health at the National Association of Counties, who said local officials are grappling with numerous problems. Those include uneven dosage supply and struggles in some places with reallocating unused shots to others that may be short.

"Some doses are sitting around because of this," Bryant said, noting that certain states are better than others at letting counties ship out extra doses to those that need them.

She also said there are states and localities still in dire need of better vaccine sign-up and tracking systems — with a few counties opting for existing event websites like Eventbrite since they can't access CDC's system for states.

### Other happenings:

**New Jersey:** The state could [implement new restrictions](#) if hospitalizations continue to soar, Democratic Gov. Phil Murphy said Wednesday. Over 3,600 patients were hospitalized [as of Thursday](#).

**Mississippi:** The state is scheduled to give out all of its coronavirus shots for the next two weeks.

**Plans for mass vaccinations emerged this week.** Virginia is setting clinics at hospitals and other sites, with the goal of ramping up to 50,000 shots daily — the number officials said will eventually get the state to herd immunity. They are seeking volunteers to train in how to administer the shots. North Carolina is hosting mass vaccinations in health departments, hospitals and health centers. And in Arizona, an NFL stadium outside of Phoenix is serving as an [around-the-clock site](#).

## CORONAVIRUS

**THE POLITICS OF THE VACCINE** — Just about everything in the U.S. coronavirus response has been politicized — and [vaccinations are no different](#), writes POLITICO's Joanne Kenen. A failed rollout can tarnish a leader or extinguish a would-be rising star. It could even boot them out of office before their term expires.

Just three states have governors up for reelection next year — all Democrats, all wrestling with the Trump administration's vaccination policy that's left much up to the states.

In New Jersey, Gov. Phil Murphy so far remains popular as he seeks reelection, although Murphy last month missed a federal deadline to vaccinate nursing homes that resulted in a one-week delay. In Virginia, Gov. Ralph Northam cannot seek another term, but his performance on immunization will likely spill into the race for his successor, strategists in both parties agree. In California, Gov. Gavin Newsom faces crisis upon crisis as those who seek to oust him claim to have amassed hundreds of thousands of signatures in support of a recall.

## OBAMACARE

**FINAL PARTING SHOT:** The Trump administration finalized a policy allowing states the option to ditch their Obamacare exchanges and outsource enrollment to private web brokers and agents as soon as next year. The CMS regulation also [incorporates guidance from 2018](#) giving states wider latitude to tailor their individual health insurance marketplaces.

However, the incoming Biden administration is expected to unwind the rule over the next few months.

The template for exchange-ditching plan came from Georgia, which is now facing litigation over its Trump-approved state waiver. [The lawsuit](#) comes from Atlanta-based Planned Parenthood Southeast and the Feminist Women's Health Clinic.

Georgia first proposed the idea of decentralizing the sale of exchange plans over the summer, drawing fire from critics who said it would make shopping for ACA plans confusing and deflate enrollment. CMS Administrator Seema Verma acknowledged that lawsuits were likely when she announced she'd approve the plan under Obamacare's state innovation waiver authority.

The case will be heard by U.S. District Judge James Boasberg, who's presided over lawsuits challenging the Trump administration's approval of Medicaid work requirements. Boasberg has ruled against the administration in each instance.

**California is on track to beat previous enrollment records**, with nearly 1.6 million residents signed up two weeks before the state's Jan. 31 sign-up deadline.

So far, about 200,000 more people have enrolled compared to the same time period last year. Some 2.7 million are uninsured in the country's most populous state.

## MEDICAID

**VERMA LOOKS TO PRESERVE MEDICAID CHANGES** — At least several red states have signed contracts with CMS that could make it harder for Biden to unwind conservative Medicaid waivers.

**What happened:** Verma [is asking states](#) to sign an agreement "as soon as possible" to lock in a lengthy process if CMS decides to alter or terminate a state's Medicaid waiver, according to communications reviewed by POLITICO. The effort is viewed as an attempt to make it harder for the new administration to erase divisive policies, like work requirements and block grants.

### Where states stand:

— Tennessee will sign the agreement after receiving the nation's first-ever Medicaid block grant last week, a state Medicaid spokesperson said.

— At least two states with CMS-approved Medicaid work requirement waivers — Georgia and South Carolina — have signed on. One, Wisconsin, is declining the agreement after talking with other state Medicaid directors but didn't explain why.

— Nebraska and Ohio remain undecided. Still, Ohio Medicaid Director Maureen Corcoran said the state is "committed to going forward" with the work rules, hinting the state may sign the agreement.

Virtually every work rule waiver has been on hold amid court challenges. The Supreme Court is set to consider work rules this spring.

**DATA SNAFUS** — Technology and data problems [will continue to hold up states’ vaccine efforts](#), no matter how many shots the federal government sends out, POLITICO’s Darius Tahir reports. And the pressure is on for the incoming Biden administration to overhaul data systems to meet the aggressive goal of vaccinating 100 million Americans in the first 100 days.

The Trump administration never let local officials or private companies into the federal data collection system it built over the summer with the Silicon Valley firm Palantir, and it’s left state and localities fumbling.

- In California, officials don’t know how many shots are stockpiled or administered.
- In Texas, a flawed update to the state’s immunization database means the clinicians have to feed numbers in a backup system to keep an accurate count of shots given.
- In Florida, Tampa's mayor said the communication black box prevents city officials from being able to tell residents when they can expect to get their vaccine.

## ON POLITICO

- [Governors’ red tape blamed as vaccine doses pile up.](#)
- [Biden dresses down his Covid team over plans to speed up vaccinations.](#)
- [Hospitals say syringes supplied by feds waste vaccine doses.](#)
- Missed a PULSE: State Health Care?** [Check out the archive here.](#)

## More on this topic

JAN 2021

15th



NEWS  
Article

Biden's Covid vaccine plan focuses on communities of color  
UPDATED



NEWS  
Article

Biden's Covid vaccine plan focuses on communities of color  
UPDATED



NEWS  
Article

Biden's Covid vaccine plan focuses on communities of color  
UPDATED

14th



NEWS  
Article

What's in Biden's pandemic response plan for health care

12th



NEWS  
Article

Trump's abrupt shift on Covid shots may sow more chaos



NEWS  
Article

Trump's abrupt shift on Covid shots may sow more chaos



NEWS  
Article

Trump to prioritize older adults for Covid vaccines, release all doses  
UPDATED



NEWS  
Article

Trump to prioritize older adults for Covid vaccines, release all doses  
UPDATED



NEWS  
Article

Trump to prioritize older adults for Covid vaccines, release all doses  
UPDATED



NEWS  
Article

Trump administration overhauls vaccine allocation strategy  
UPDATED

LOAD MORE



**YOUR ACCOUNT MANAGEMENT TEAM**

**Bernardine  
Bruggen**

bbruggen@politico.com  
(240) 565-2171

**Bernardine  
Bruggen**

bbruggen@politico.com  
(240) 565-2171

**RESOURCE CENTER**

**CORRECTIONS**

**TERMS OF SERVICE**

**PRIVACY POLICY**

**DO NOT SELL MY INFO**