

HEALTH REFORM 101

PREP FOR CROSS-OFFICE MEETING 2011

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Objectives



- Increase knowledge of the basics of PPACA
- Increase knowledge of SPAs
- Enhance understanding of the potential impact of health reform on our work

Abbreviations!



- (PP)ACA = Patient Protection and Affordable Care Act
- H(C)R = Health (care) reform
- HIE = Health insurance (Exchange)
 - ▣ American Health Benefit Exchange (AHBE)
 - ▣ Small Business Health Options Program (SHOP)
- FPL = Federal poverty level
- EBP = Essential (health) benefits package
- FMAP = Federal Medical Assistance Percentages

Abbreviations!



- ECP = Essential community provider
- SPA = State plan amendment
- FQHC = Federally Qualified Health Center
- ACO = Accountable Care Organization
- HIT = Health information technology

Expand Access to Coverage

- Individual mandate
 - ▣ Requires most U.S. citizens and legal residents to have qualifying health coverage or face tax penalties
 - ▣ Exempts some groups including American Indians, undocumented immigrants, incarcerated individuals, those with financial hardship and religious objections, and those without coverage for <3 months
- Creates state-based Exchanges with premium credits and cost-sharing subsidies for individuals/families
138 – 399% of FPL

Expand Access to Coverage

- Employer requirements
 - ▣ Requires employers with >200 employees to automatically enroll in employer-sponsored plans
 - ▣ Requires employers with >50 employees to pay penalties if they do not offer coverage and/or have at least one FT employee who receives a premium tax credit
 - ▣ Exempts employers with <50 employees from these penalties
- Creates Exchanges for small businesses

Expand Public Programs

- Expands Medicaid for individuals <65 to 138% of FPL
 - ▣ Guarantees a benchmark benefit package that at least provides the essential health benefits
 - ▣ Provides a phased-in increase in FMAP for states that have already expanded to adults up to 100% FPL
- Increases Medicaid payments in FFS and managed care for primary care services provided by primary care doctors to 100% of Medicare payment rates for 2013 and 2014

Expand Public Programs



- Requires states to maintain current income eligibility levels for children in Medicaid and CHIP until 2019 and extend funding for CHIP through 2015
- Provides tax credits in the state for CHIP-eligible children who are unable to enroll in the program due to enrollment caps

And, Much More...



- Tax changes related to health insurance
- Health insurance exchanges
- Changes to private insurance
- State role
- Cost containment
- Quality/health system performance

And, Much More...



- Long-term care
- Other investments
 - Medicare
 - Workforce development
 - CHCs and SBHCs
 - Trauma care
 - Public health and disaster preparedness
 - Requirements for nonprofit hospitals
 - American Indian health

Yet, Challenges Remain...

- At least 20 million people will be without coverage, even after full implementation of ACA
- Life may get worse for those who remain uninsured
 - ▣ Working class—income too high to benefit from subsidy, but not enough to benefit from the Exchange
 - ▣ Undocumented immigrants
 - ▣ Those who cannot or choose not to participate—individuals who are homeless or who have mental health and/or substance use issues, young people

Clare Coleman and Mitchell Katz, *Life After 40*, remarks at the NFPRHA Regional Meeting, San Francisco, December 13, 2010

Yet, Challenges Remain...

- Court challenges
 - Virginia—individual mandate unconstitutional
 - Florida—aligned with VA, but not with multistate suit re: state sovereignty
 - Multistate suit (20 states)—violation of state sovereignty through substantial expansion of Medicaid
 - Supreme Court expected to take at least one case
- Governors and state legislatures may not take steps to implement ACA

Yet, Challenges Remain...



- Republican-led House and narrowly divided Senate may vote to repeal some/all of the ACA
- 2012 presidential election



Questions?

Prevention and Wellness

- National strategy
 - ▣ Establishes the National Prevention, Health Promotion and Public Health Council
 - Chaired by Surgeon General
 - Includes cabinet secretaries and other national leaders
 - National Prevention Strategy = March 2011
 - Annual status reports in July

The Henry J. Kaiser Family Foundation, Focus on Health Reform—Summary of New Health Reform Law, last modified on March 26, 2010

Centers for Disease Control and Prevention, The Affordable Care Act and Public Health, presented at the Regional IPP Coordinators meeting, Denver, October 13, 2010

Prevention and Wellness

- National strategy (continued)
 - Creates a Prevention and Public Health Fund
 - \$5 billion investment from 2010 – 2014
 - \$2 billion/year beginning in 2015
 - Creates a grant program to support the delivery of evidence-based and community-based prevention and wellness services

The Henry J. Kaiser Family Foundation, Focus on Health Reform—Summary of New Health Reform Law, last modified on March 26, 2010

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Prevention and Wellness

- Coverage of preventive services
 - ▣ Requires qualified health plans to provide coverage without cost-sharing for preventive services rated “A” or “B” by the USPSTF; recommended immunizations (CDC); preventive care for infants, children and adolescents (AAP/Bright Futures), and additional preventive care and screenings for women (IOM)
 - ▣ Covers only proven preventive services and eliminates cost-sharing for preventive services in Medicaid and Medicare

The Henry J. Kaiser Family Foundation, Focus on Health Reform—Summary of New Health Reform Law, last modified on March 26, 2010

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Prevention and Wellness

- Wellness programs and nutritional information
 - ▣ Provides grants to small employers that establish wellness programs
 - ▣ Provides TA and other resources to evaluate employer-based wellness programs
 - ▣ Permit employers to offer employees rewards for participating in a wellness program and meeting certain health-related standards
 - ▣ Requires chain restaurants and vending machines to disclose nutritional content of items



Questions?

State Plan Amendments

- Authorized in ACA¹
 - CMS guidance first released in July 2010
 - Guidance continues to be released
- Allows states to expand Medicaid eligibility for FP up to the eligibility level for pregnancy-related care, without a federal waiver²
 - Designed to expand access to FP services, eliminate bureaucratic hurdles of federal waivers and save money

¹Robin Summers, Update on CMS' Policies on SPAs and Family Planning Waivers, presented at the NFPRHA Regional Meeting, San Francisco, December 13, 2010

²National Women's Law Center, Medicaid Family Planning State Option Expands Access to Health Care and Saves Money

State Plan Amendments



- 28 states have federal waivers as of 1/1/2011
- 3 states have applied for SPAs—CA, SC, WI
- States may keep waivers instead of converting to SPAs

SPA Eligibility



- Eligibility based on...
 - Pregnancy status (i.e., not pregnant)
 - Income—set by state; cannot exceed that for pregnancy-related care
- Eligibility open to...
 - Men and women
 - All ages

SPA Eligibility



- “Grandfather” provision
 - ▣ Can include those who would have been eligible for state’s waiver had they applied on or before 1/1/2007
 - ▣ Can use eligibility standards and procedures imposed by the state at that time
- Presumptive eligibility

SPA Services



- FP services and supplies (90% match)
- FP-related services (regular FMAP)
 - ▣ Provided in a FP setting as part of or as follow-up to a FP visit
 - ▣ Provided because they were identified or diagnosed during a FP visit—causal link

SPA Services



- Must provide some (but not all)...
 - STI treatment drugs
 - Follow-up visit/encounter for the STI treatment/drugs
 - Subsequent follow-up visits to rescreen based on CDC guidelines
 - Annual FP visit for men
 - Drugs for treatment of lower genital tract and genital skin infections/disorders and urinary tract infection

SPA Services



- Must provide some (but not all)...
 - ▣ Other medical diagnosis, treatment and preventive services (e.g., HPV vaccines)
 - ▣ Treatment of major complications
 - ▣ FP services provided as part of or as a follow-up to the FP visit in which sterilization took place, for those who have a sterilization

SPA General Rules

- Must cover transportation (regular FMAP)
- Must have same provider reimbursement rates as full-benefit Medicaid
- Must follow all general Medicaid rules—cost-sharing, citizenship, immigration, third-party liability
 - ▣ Cannot charge premiums for FP
 - ▣ Unclear if premiums can be charged for FP-related services

SPA General Rules



- No creditable coverage prohibition (i.e., can still enroll if you have other coverage)
- “Good cause” exception (i.e., individuals do not need to provide certain information if there may be direct harm)

To SPA or Not to SPA?

Issue	Waivers	SPAs
Budget neutrality	Required	Not required
Research & eval.	Required	Not required
Timeline for approval	No (avg.=15+ mos.)	Yes (fed. mandated)
Approval period	December 31, 2013	Permanent
Renewal	Every two years	None
Creditable coverage	No	No
Presumptive eligibility	Allowed	Allowed

Robin Summers, Update on CMS' Policies on SPAs and Family Planning Waivers, presented at the NFPRHA Regional Meeting, San Francisco, December 13, 2010

To SPA or Not to SPA?

Issue	Waivers	SPAs
Eligibility—age	At state's discretion	Must include teens
Eligibility—gender	At state's discretion	Must include men
Eligibility—income	Family size=1	Family size=2
Sterilized individuals	Not eligible	May not be explicitly excluded
FP-related services	Can be covered	Some must be covered
Transportation	Can be covered at state's regular FMAP	Must be covered at state's regular FMAP

Robin Summers, Update on CMS' Policies on SPAs and Family Planning Waivers, presented at the NFPRHA Regional Meeting, San Francisco, December 13, 2010



Questions?

Opportunities



- Training and technical assistance
 - Business and cost assessment
 - Credentialing providers
 - Billing and coding
 - Developing (formal agreements with) FQHCs & ACOs
 - Creating linkages—SBHCs (sponsorships), MCH, home visiting, WIC, OB-GYN
- Workforce development
 - Nurses
 - Community health workers

Opportunities



- Research and evaluation
 - Improving data collection and reporting
 - Developing quality measures
- Cultural and linguistic proficiency
- Chronic disease/healthy eating & active living
- Policy, systems and environmental interventions
- Advocacy



Your Ideas?

Resources

- HealthCare.gov,
<http://www.healthcare.gov/?gclid=CLfZk4iszqYCFQqAgwodvnNOHw>
- The Henry J. Kaiser Family Foundation
 - ▣ *Focus on Health Reform—Summary of New Health Reform Law,*
<http://www.kff.org/healthreform/upload/8061.pdf>
 - ▣ *Focus on Health Reform—Impact of Health Reform on Women’s Access to Coverage and Care,*
<http://www.kff.org/womenshealth/upload/7987.pdf>
 - ▣ *Health Reform and Communities of Color: How Might It Affect Racial and Ethnic Health Disparities,*
<http://www.kff.org/healthreform/upload/8016.pdf>

Resources

- Slide sets from NFPRHA Regional Meeting in San Francisco, December 13, 2010, seattle@jba-cht.com
- Centers for Disease Control and Prevention, “The Affordable Care Act and Public Health” slideset, Regional IPP Coordinators Meeting in Denver, October 13, 2010, seattle@jba-cht.com
- The Commonwealth Fund, *Realizing Health Reform’s Potential: Young Adults and the Affordable Care Act of 2010*, <http://www.commonwealthfund.org/Content/Publications/Issue-Briefs/2010/Oct/Realizing-Health-Reforms-Potential-Young-Adults.aspx>

Resources



- FamiliesUSA, *How Health Reform Helps Communities of Color—State Fact Sheets*, <http://www.familiesusa.org/health-reform-2010/helping-communities-of-color.html>
- Congressional Black Caucus Foundation, Inc., *Understanding Health Reform: A Community Guide for African Americans*, <http://cbcfinc.org/images/pdf/CBCF%20Health%20Reform%20Guide%20FINAL%2011-18-10.pdf>