

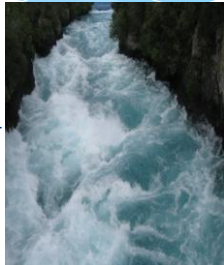
Affordable Care Act: Smooth or White Waters Ahead?

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Practice



Program Objectives

- * Describe the key health care reform provisions of the Affordable Care Act.
- * Explore the implications of the provisions on the health care provider role in both in and out-patient settings, with emphasis on addictions medicine.



History of Healthcare Reform



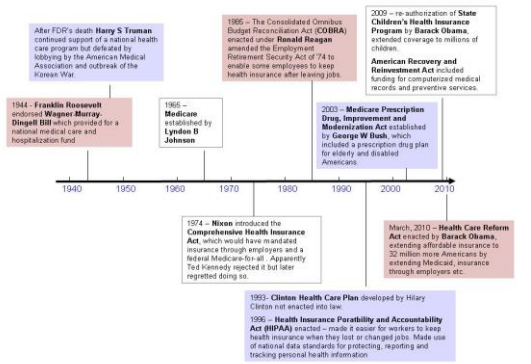
One Hundred Eleventh Congress
of the
United States of America
AT THE SECOND SESSION
Begun and held at the City of Washington on Tuesday,
the 30th day of January, one thousand and one

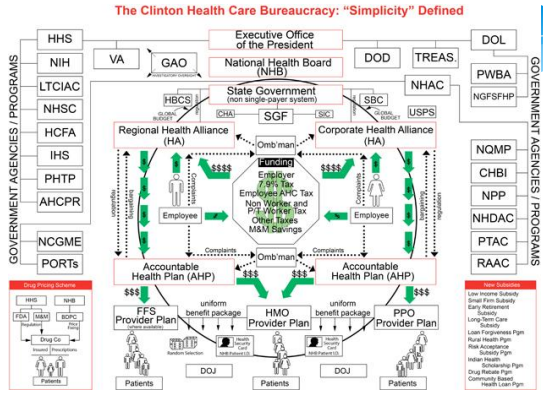
§a Act

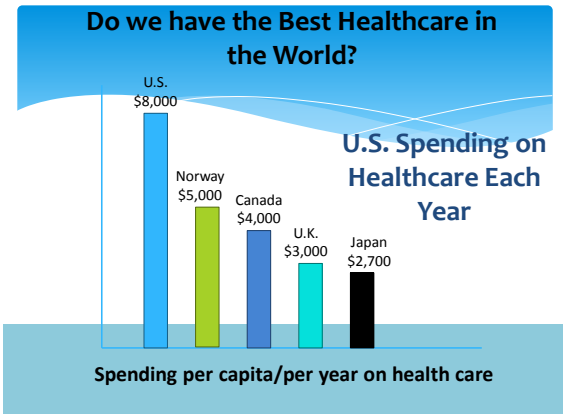
Enacted by the several States and Territories, this act
Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,
SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
This act may be cited as the "Patient Protec-
tion and Affordable Care Act".
§a. TABLE OF CONTENTS.—The table of contents of this Act
is as follows:
Sec. 1. Short title, table of contents.
TITLE I—GENERAL AFFORDABLE HEALTH CARE FOR ALL AMERICANS

www.healthreformtruth.com

- * Healthcare reform has been discussed by every President since 1912
- * Some have discussed a single payer system
- * Some have discussed modifying our current system







Is this the best we can do?



30 other countries have lower infant mortality rates

The W.H.O. ranks the U.S. 37th in the world behind countries like Cyprus and Malta



Over 50 million Americans have no insurance and no access to a family provider

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So what have others done when they have to navigate rough waters... ..



So what do we want from Health Care reform?

Health care system to work in humane way for patients

\$2.3 trillion Per year

HC system that is Affordable:
↓ medical costs
↓ insurance premiums
Minimal taxes

Keep miracles of modern American medicine

HC system that is Profitable for insurers And providers

Keep high ticket procedures

Preventive Care For EVERYONE

Using Evidence Based treatments And having less Medical errors

Health Care Reform Simplified by D. Parks

Patient Protection and Affordable Care Act (ACA)

- Signed in March, 2010
- Found Constitutional in 2012 (except for forcing states to expand Medicaid)
- Is expansive in scope and ambitious in goals.
- AFFECTS EVERYONE!!!
- Biggest goal is to reduce the 50 million Americans who are uninsured by reforming the private insurance sector.

Themes within the ACA

- * **Access** – Medicaid and Health Care Exchanges
- * **Cost control:** ACO's, bundled payments; Cadillac tax, CMS innovation and IPAB.
- * **Quality Improvement:** reduction in hospital acquired infections and readmissions, EMR's and Patient Center Outcomes Institute
- * **Prevention:** no cost preventive services; menu labeling, employer wellness programs.
- * **Workforce:** Support for nursing schools, changes in loan forgiveness for physicians entering NHSC
- * **Revenue:** device, cosmetic surgery and tanning salon taxes
- * **Other:** Medical loss ratio, financial relationship transparency between drug companies and physicians, adm. simplification

Implementation Timelines

2010

- * Change in Medicare provider rates
- * Medicaid coverage for childless adults
- * Tax on tanning salons
- * Dependent coverage to age 26
- * Preventive benefits

2011

- * Administrative Costs are limited
- * Closing the Medicare drug coverage gap
- * Medicare preventive benefits
- * Phased cuts to Medicare Advantage
- * Changes to tax free accounts
- * Penalties for Hospital acquired infections
- * Independent Payment Advisory Board

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Exchanges and Level of Coverage



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Implementation Timelines

2012

- * Changes to prevent fraud and abuse of Medicaid and Medicare
- * Fee on pharmaceutical industry
- * Penalties from Medicare for hospitals making preventable admissions (quality healthcare improvement)

2013

- * October 1:
 - Must sign up for insurance (exchanges)
 - Increased Medicaid payment to states for preventive services
 - Higher threshold for medical expenses
 - Limits on flex spending accounts
 - Medicare tax increase on high incomes
 - Excise tax on medical devices

National Strategy for Quality Improvement in Health care (2011)

* Reduce Medical Errors:

- * Hospitals get better payments for better outcomes
- * Hospitals get lower payments for hospital acquired conditions
- * Medicare will track and begin cutting payments in 2014
- * Error track records will be published for every hospital
- * Patient Centered Outcomes Research Institute will recommend most effective treatments

Lowering hospital readmission rates

- * CMS has begun posting 30 day readmission rates
- * Now hospital payments will be adjusted according to those rates



Incentives for hospitals

Coordination of Care and Communication – ACO's

- * Good Coordination of care requires effective communication
- * Reward for working together not for procedure
- * Electronic Medical Record

Shift to Medical Home

- * Coordinated by a primary care physician
- * Supported by technology, multi-disciplinary team of HC professionals
- * EBP treatment guidelines
- * Payments will eventually be made on a per person per month basis.

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Essential Health Benefits

All Americans must have Minimum Essential Coverage (MEC)

1. Ambulatory patient services	6. Prescription drugs
2. Emergency services	7. Rehabilitative and habilitative services & devices
3. Hospitalization	8. Laboratory services
4. Maternity and newborn care	9. Preventative/wellness services & chronic disease mgmt.
5. Mental health & substance use disorder services	10. Pediatric services, including oral & vision care

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Implementation Timelines - 2014

- * Individual mandate to buy health insurance (2014)
- * Consumer Operated and Oriented Plan (CO-OP): these insurers are non-profits who offer coverage and affordable health insurance (exchange).
- * Prohibit charging or denying coverage to pre-existing conditions (adults) and charging more for women.
- * Financial assistance for individuals to buy insurance.
- * Optional state expansion of Medicaid.

Health insurance marketplaces (exchanges): new options for consumers

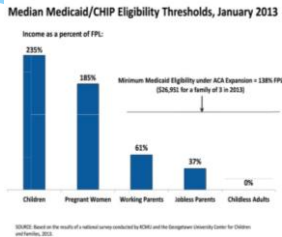
- * Why they are important
 - * A new and easier way to shop for health insurance
 - * "Strength in numbers"
- * How they'll work
 - * Three models: state-run; state-federal partnership; or federally-facilitated
 - * Websites for consumers to shop and apply, plus phone and in-person assistance
 - * Single streamlined application
 - * Affordability credits and subsidies



More information: [Kaiser Family Foundation: State Decisions For Creating Health Insurance Exchanges](#).

Medicaid expansion: widening the safety net

- Expands eligibility floor up to 133% FPL for most Americans
- Particularly important for childless adults, working parents
- A generous deal for states, but effectively optional



More information: [APHA: Medicaid Expansion](#)
 Chart source: [Kaiser Family Foundation: Medicaid: A Primer \(2013\)](#)

In addition to health care, the ACA infused Public Health with some needed money



The Prevention and Public Health Fund: Four major funding goals

Clinical prevention	Community prevention	Workforce and infrastructure	Research and tracking
<ul style="list-style-type: none">• Enhance awareness of ACA prevention services and benefits• Immunization programs• Integrating primary and behavioral health	<ul style="list-style-type: none">• Community Transformation Grants• Comprehensive Chronic Disease Prevention Grants• Other efforts (e.g. CDC's "Tips from Former Smokers" campaign)	<ul style="list-style-type: none">• National Public Health Improvement Initiative• Lab capacity grants• Workforce training grants	<ul style="list-style-type: none">• National Prevention Council & Strategy• Environmental Public Health Tracking System• Prevention research centers

The Fund also supports more programs and initiatives in each category.

Community health needs assessments (CHNAs)

- * Tax-exempt hospitals must conduct CHNAs and implement strategies to address community needs
- * A revision to existing community benefit requirements
- * First assessments due 2012-13, then at least every 3 years
- * CHNAs must take into account input from "persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health."



Other key public health provisions

- Public education campaigns**
 - * Lifestyle choices, chronic diseases (campaigns active)
 - * Menu labeling (coming soon?)
 - * Oral health (campaign not yet active)
- Health equity promotion**
 - * REACH funding
 - * Data collection & reporting
 - * Research, training, workforce (funded?)
- Workplace wellness programs**
 - * Incentives; implementation grants



More information: [NACCHO: PH & Prevention Provisions of the ACA \(2013\)](#)

So what is ahead



Probably really rough waters

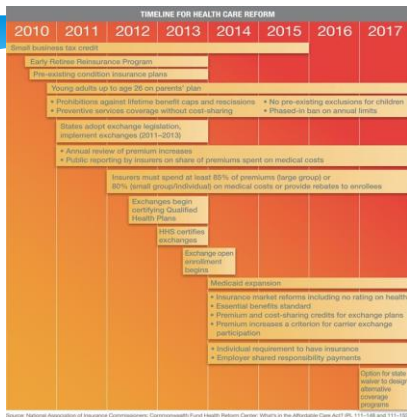
2015 and beyond

2015

- Paying Providers Based on Value Not Volume.** A new provision will tie provider payments to the quality of care they provide. Providers will see payments modified so that those who provide higher value care will receive higher payments than those who provide lower quality care. *Effective January 1, 2015*
- Larger firms with more than 50 employees must offer health benefits.

2017 afterward

- 2017:** States can offer their own HC plans which meets the ACA standards; businesses with more than 100 employees can buy through exchange;
- 2018:** All plans **MUST** have preventive coverage; 40% tax on Cadillac Health Plans
- 2020:** Donut hole for Medicare medications closed



Source: National Association of Insurance Commissioners; Commonwealth Fund Health Reform Center. What's in the Affordable Care Act? (A, 111-108 and 111-102)

Challenges Ahead

- * No Malpractice Reform
- * Malpractice accounts for only 1% of all health care spending.
- * Need for more robust data on clinical outcomes
- * Altering practice toward EB cost effective care with a change from treatment to prevention
- * Motivating the US population to promote its own health and adopt a healthier lifestyle.

Nursing Role and ACA: CHC and School HC

Federally Qualified Health Centers

- * Called Community Health centers
- * \$11 million in funding through 2015

School based health centers

- * Partnership between schools and community health organizations
- * Children can attend school with acute or chronic illnesses.

Mental Health and Substance Abuse

- * These are part of the 10 essential ACA elements and must be included on every plan.
- * What is being offered? Must include prevention treatment and recovery.
- * Will be treated like any other disease process. Right now office visits for substance abuse are not covered. Soon they will be (parity).
- * Newly released criminals with substance use disorders may now have continuity of care when released.

Barriers to Implementation

- * Shortage of substance abuse providers
- * Shortage of substance abuse/detox beds
- * Treatment centers with more than 16 beds can't bill Medicaid for residential services provided to low-income adults.
- * Continued fighting with insurance companies on length and intensity of treatment since the ACA does not specify.
- * What gets covered are governed by the State so therefore options will vary state by state.



Barriers to Implementation

- * Many changes during implementation will be slow:
 - * Criminal Justice system will have to switch to approved Medicaid treatment upon release.
 - * Would integrating behavioral health into physical health help? Coordination of care?
 - * Will insurance companies try to skirt the rules? Such as with mandatory pre-authorization only for behavioral health issues.



What the ACA has Acknowledged...

Substance abuse is a medical issue—
not the result of poor morals, and
not a criminal justice problem.

In Summary, Why we need health Care reform

Too many people lack health coverage & care

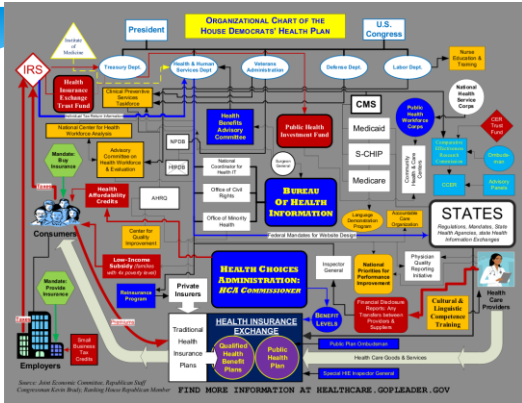
System focuses on treatment instead of prevention

Lack of attention to SDoH, health disparities

Inefficient delivery and payment system

U.S. healthcare spending is unsustainable

Low-ranking U.S. health outcomes



But Will it work? Should we give it a try?

- * Maybe – it depend on if all the actors work together
- * This Act does address many of the items needed for health care reform, however, not in the most direct format.
- * Statewide change will be hard to achieve
- * Insurers and Providers do not always put patient welfare above their own.
- * Everyone must be committed to making the law work.
- * So where do we stand?.....

Impact and Future Trends

Potential Trends

- * Insurance companies change to be the management purveyors, actuarial services or integrated delivery systems.
- * Providers will focus on keeping people with chronic illness healthy and out of ED/Hospitals.
- * Digital Medicine
- * Hospital Closures

Potential Trends

- * Less "employer" paid health care
- * Decrease in HC inflation
- * Change to Medical School education



Thank you.....

Questions?
