The Affordable Care Act:
A Primer for State Health Departments

July 22, 2013
3:00 – 4:00 pm eastern
Agenda

1. Welcome & Introduction to the series
   – Jeanne Alongi
2. A Primer on the Affordable Care Act – Fred Shaw
3. State Public Health Opportunities – Dave Hoffman
4. Closing – Jeanne Alongi
Domains III and IV

Domain 3: Health Care Systems
Improve the effective delivery and use of clinical and other preventive services in order to prevent disease, detect diseases early, and reduce or eliminate risk factors and mitigate or manage complications.

Domain 4: Community-Clinical Linkages
Ensure that communities support and clinics refer patients to programs that improve management of chronic conditions. Such interventions ensure those with or at high risk for chronic diseases have access to quality community resources to best manage their conditions or disease risk.
Learning Objectives

• Describe the goals and key provisions of the Patient Protection and Affordable Care Act (ACA).

• List three provisions of the Affordable Care Act that may affect the role of state health departments.

• Identify resources for further learning.
Our Speakers

Fred Shaw

David Hoffman
Public Law 111–148
111th Congress

An Act

Entitled The Patient Protection and Affordable Care 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.

(a) SHORT TITLE.—This Act may be cited as the “Patient Protection and Affordable Care Act”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—QUALITY, AFFORDABLE HEALTH CARE FOR ALL AMERICANS

Subtitle A—Immediate Improvements in Health Care Coverage for All Americans
Sec. 1001. Amendments to the Public Health Service Act.

"PART A—INDIVIDUAL AND GROUP MARKET REFORMS

"SUBPART II—IMPROVING COVERAGE

"Sec. 2711. No lifetime or annual limits.

"Sec. 2712. Prohibition on rescissions.

"Sec. 2713. Prevention of Preventive healthcare services.

"Sec. 2714. Extension of dependent coverage.

"Sec. 2715. Development and utilization of uniform explanation of coverage documents and standardized definitions.

"Sec. 2716. Prohibition of discrimination based on salary.

"Sec. 2717. Ensuring the quality of care.

"Sec. 2718. Bringing down the cost of health care coverage.

"Sec. 2719. Appeals process.

Sec. 1002. Health Insurance Consumer Information.
Sec. 1003. Ensuring that consumers get value for their dollars.
Sec. 1004. Effective dates.

Subtitle B—Immediate Actions to Preserve and Expand Coverage
Sec. 1101. Immediate access to insurance for uninsured individuals with a pre-existing condition.
Sec. 1102. Reinsurance for early retirees.
Sec. 1103. Immediate information that allows consumers to identify affordable coverage options.
Sec. 1104. Administrative simplification.

A Primer on the Affordable Care Act

Frederic E. Shaw, MD, JD

Senior Advisor for Health Reform
OHSC, OADP, CDC

Presentation to National Association of Chronic Disease Directors

July 22, 2013
FIGURE 1-1

Health care spending has risen as a share of GDP

- Total health spending
- All private spending
- All public spending
- Medicare spending

Note: GDP (gross domestic product). Medicare spending reflects current law, which includes the sustainable growth rate.

Source: Centers for Medicare & Medicaid Services, National Health Expenditures.
The Affordable Care Act

- Expands health insurance coverage
- Holds insurance companies accountable (by keeping premiums down; preventing insurance industry abuses and denial of care; and ending discrimination against those with pre-existing conditions)
- Lowers consumer costs by making health care more affordable
- Enhances quality health care; and
- Places an unprecedented focus on prevention
Insurance Trends, 1999-2011

Notes: Data is for the entire US population. Percentages do not add up to 100% because some people have more than one type of coverage. In 2010, the Census Bureau updated its coverage data for current and prior years to reflect changes in the methods used to impute health insurance for non-respondents. Government insurance includes military coverage.


The Affordable Care Act Expands Coverage

- Employer and individual responsibility for coverage
- Insurance rule changes
  - Children up to age 26 covered on parents’ policies (2.7 million newly covered)
- Medicaid expansion to 138% of Federal Poverty Level
- Health Insurance Marketplaces (exchanges)
Where the States Stand - June 14, 2013
26 Governors Support Medicaid Expansion

Note: As of 6/14/13 all policies subject to change. Results are estimates based on literature review, census data, and Advisory Board research.

Source: http://www.advisory.com/Daily-Briefing/2012/11/09/MedicaidMap#lightbox/1/
### The Affordable Care Act Expands Coverage

#### Table 1. CBO's May 2013 Estimate of the Effects of the Affordable Care Act on Health Insurance Coverage

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<tr>
<td>Uninsured</td>
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<td>-14</td>
<td>-20</td>
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**Uninsured Under the Affordable Care Act**

- **Number of Uninsured Nonelderly People**: 55, 44, 37, 31, 30, 30, 30
- **Insured Share of the Nonelderly Population**
  - Including All Residents: 80%, 84%, 86%, 89%, 89%, 89%, 89%
  - Excluding Unauthorized Immigrants: 82%, 86%, 89%, 91%, 92%, 92%, 92%
The Affordable Care Act Offers New Consumer Protections

- Guarantees coverage even with pre-existing conditions
- Prohibits “rescission” (dropping coverage)
- Bans lifetime coverage limits and ER usage limits
- Expands consumers’ rights to appeal denials
The Affordable Care Act
Makes Health Care More Affordable

- Provides refundable, advanceable tax credits (premium credits) for persons with incomes 100% to 400% of Federal Poverty Level (FPL) purchasing coverage through exchanges
  - For family of four: FPL $23,550 in 2013
- Cost-sharing subsidies for persons with incomes up to 250% of FPL
- Gradually closes the “donut hole” in Medicare Part D prescription benefit, and decreases the cost of medicines starting in 2014
- Requires rebates for consumers if insurers spend too little on care (the “medical loss ratio”)

The Affordable Care Act Makes Health Care More Affordable
The Affordable Care Act Improves Quality

- New Center for Medicare and Medicaid Innovation (CMMI)
  - Testing new models:
    - Accountable Care Organizations (ACOs)
    - Patient-centered medical homes
    - Bundled payments

- National Strategy for Quality
  - Partnership for Patients – prevent healthcare associated harms; support better care transitions
The Affordable Care Act Improves Prevention and Public Health

- Requires new plans and Medicaid “expansion” plans to cover proved clinical preventive services without cost sharing; encourages traditional Medicaid to do so; and requires that to the extent Medicare covers such services, it does so without cost-sharing.
- Authorizes the first-ever National Prevention Strategy.
- Appropriates funding for the Prevention and Public Health Fund.
- Rebuilds the Primary Care Workforce: Expands National Health Service Corps for providers in underserved areas; incentives to expand the number of primary care MDs, nurse practitioners, and PAs; scholarships and loan repayments for those working underserved areas.
ACA and Clinical Preventive Services

- Under the ACA, nongrandfathered private health plans must provide coverage for a range of preventive services without cost-sharing
  - those services rated as “A” (strongly recommended) and “B” (recommended) by the U.S. Preventive Services Task Force,
  - vaccinations recommended by ACIP,
  - services recommended under the Bright Futures guidelines developed by HRSA and the American Academy of Pediatrics for children from birth to age 21, and
  - women’s preventive services recommended by HRSA based on an Institute of Medicine study committee
Key Question for State and Local Public Health

- What will be the effects of:
  - an increase in the proportion of the population that is insured?
  - changing models of care?
“Prediction is very difficult, especially if it’s about the future.”

-Niels Bohr
Who Won’t Be Covered?
Nonelderly Populations the Size of:

2014
44 million

OR
CA

2015
37 million

NY
PA

2019
30 million

CT
GA

FL
## Mismatch at the Local Level?
Are current core businesses aligned with “ideal?”

<table>
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<tr>
<th>Essential Service</th>
<th>Current Resource Allocation</th>
<th>Ideal Resource Allocation</th>
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<tbody>
<tr>
<td>Monitor health status</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Diagnose and investigate</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Inform, educate and empower</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Mobilize community partnerships</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Develop policies and plans</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Enforce laws and regulations</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Assure access and link people to needed personal health services</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Assure a competent public health work force</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Evaluate effectiveness</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Research</td>
<td>Low</td>
<td>Low</td>
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</tbody>
</table>

Source: Georgia Health Policy Center
To carry out its mission, what services does the local health department provide now?

Must those change in the era of health reform?

If so, how?
What are the opportunities?
For Local Health Departments:

- What is the mission of the department and how does the business profile match it?
- What is the health care system situation in the surrounding market?
- Given the environment, what will the department’s services and business profile look like in 5 years?
Lessons from the front line

- Get a seat at the table
- Take an open-minded and critical look at the work public health does now
- Defend the traditional public health approach when called for
- Keep on the lookout for opportunities
- Envision a better model and take steps to make it real

Auerbach, J. Lessons From the Front Line: The Massachusetts Experience of the Role of Public Health in Health Care Reform. J Public Health Management Practice, 2013, 00(00), 1–4

Leading through Health System Change: A Public Health Opportunity

Planning Tool

Georgia Health Policy Center at Georgia State University
National Network of Public Health Institutes
The Health Insurance Marketplace is coming soon

A new way to get affordable coverage launches October 1.

Answer a few questions to learn if you qualify for lower costs.

SEE YOUR OPTIONS »
Thank You!

My email: fshaw@cdc.gov

For more information please contact the Office of the Associate Director for Policy
Office of the Associate Director for Policy, Centers for Disease Control and Prevention
1600 Clifton Road NE, Atlanta, GA 30333   MS:D-28
Telephone: 404-639-0210  Fax: 404-639-5172
E-mail: ADpolicy@cdc.gov  Web: www.cdc.gov/policy

The findings and conclusions in this report are those of the authors and do not necessarily represent the official position of the Centers for Disease Control and Prevention.
Affordable Care Act: State Public Health Opportunities

David Hoffman M.Ed. C.C.E.

Bureau Director, New York State Department of Health
Clinical Assoc. Professor, U Albany School of Public Health
Prevention and public health; workforce and infrastructure provisions

- Prevention and Public Health Fund
- National Prevention Council & Strategy
- Community health needs assessments
- Community and school-based health center funding
- Public health and primary care workforce development
- Health equity promotion
- Public health research
- Public education campaigns
- Menu labeling
The Fund also supports more programs and initiatives in each category.
National Public Health Improvement Initiative (NPHII)

• Support for STLT health departments to build capacity and improve systems, to improve delivery and impact of public health services
  – Focus on accreditation, QI, systems change
  – National orgs providing tech. assistance
• Run by CDC, funded by Prevention Fund
  – $42.5M in 2010, $33.5M in 2011

More information: CDC: National Public Health Improvement Initiative
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.”

More information: [Health Organizations: Maximizing the Community Health Impact of CHNAs (2012)](#); [NACCHO: Community Benefit](#)
Prevention and Wellness

• Creates a National Prevention, Health Promotion, and Public Health Council to coordinate prevention and wellness practices on federal level

• Establishes new mandatory spending in the form of a Prevention and Public Health Fund
  – $500 million in FY 10
  – $750 million in FY 11
  – $1 billion in FY 12
  – $1.25 billion in FY 13
  – $1.5 billion in FY 14
  – $2 billion in FY 15 and each year thereafter
Prevention and Wellness

• Expands role of Community Health Centers to implement wellness programs for Medicare beneficiaries
• Expands scope of Community and Clinical Preventive Services Task Forces
• Creates grant program for school-based health centers
• Expands oral health programs
Prevention and Wellness

• Establishes community transformation grant program for State and local agencies
• Establishes demonstration program to provide recommended vaccines to more children, adolescents, and adults
• Reauthorizes section 317 immunization program
• Establishes labeling requirements for restaurants, retail food establishments, and vending machines
Prevention and Wellness

• Mandates the Secretary of HHS collect data on health disparities
• Incentivizes employer-based wellness programs
• Provides epidemiology and laboratory capacity grants for public health emergencies
• Fully covers proven preventive services and eliminates cost-sharing for preventive services in Medicare and Medicaid
• New Annual Wellness Visit in Medicare includes development of Personal Prevention Plan
Health Care Workforce

• Creates a National Healthcare Workforce Commission to disseminate information on healthcare workforce supply and demand, as well as training and retention best practices

• Establishes National Center for Workforce Analysis

• Creates competitive health care workforce development grant program under HRSA to shore up workforce and state and local levels
Health Care Workforce

• Establishes loan repayment program for pediatric specialists who commit to work in underserved areas
• Creates a public health workforce recruitment and retention program offering loan repayments in exchange for service at a state, local, or tribal health department
• Expands Public Health Service Corps
• Provides mid-career training for public health workers
• Loan repayment offered for allied health professionals employed at public health agencies
Health Care Workforce

• Increases funding for National Health Service Corps
• Expands nurse retention and student loan programs
• Establishes Regular Corps and a Ready Reserve Corps for service in time of national emergency
• Creates grant programs to grow numbers of primary care, geriatric, oral health, and psychiatric workforce
Health Care Workforce

- Authorizes advanced nursing education grants for midwifery
- Expands loan repayment programs for people from disadvantaged backgrounds
- Establishes a grant program aimed at promoting innovations in interdisciplinary care training
- Establishes a new state grant program for early childhood home visitation under HRSA
A promising step forward...

• Even if ACA works just as planned, we’ll still have work to do...
  – More funding and focus needed on public health and prevention
  – Workforce funding and reforms needed
  – Cost reforms needed
  – Coverage gaps remain
  – Health disparities persist

• But the health reform law is a step in the right direction!
  – Insurance more accessible, affordable
  – Safety net strengthened
  – Increased focus on prevention
  – Funding for public health, workforce, innovation, and more
Summary of considerations for health departments

• **Coverage expansion**
  – Evaluate future role in providing clinical services
  – Consider needs/opportunities for community education, outreach, enrollment

• **Public health programs, workforce, infrastructure**
  – Watch for funding, or learn from others’ efforts
  – Collaborate on community health needs assessments

• **Delivery and payment reforms**
  – Explore opportunities for involvement as a provider
  – Explore opportunities for making other contributions (convening stakeholders, data collection and analysis)

More information: [Transforming the PH System: What are We Learning? (APHA’s Dr. Georges Benjamin for IOM)](Transforming the PH System: What are We Learning? (APHA’s Dr. Georges Benjamin for IOM))
Issues to watch

• Coverage expansions in 2014
  – State and federal implementation decisions & progress
  – Consumers’ understanding of the law
  – Consumer, employer, insurers: costs, impacts, and reactions
  – Workforce and infrastructure capacity
• System and delivery reforms (esp. ACOs)
• Unfunded and underfunded provisions (esp. PH)
• Ongoing litigation against ACA provisions
• Outstanding rulemaking and guidance
Additional Resources

- National Governors Association
- Kaiser Family Foundation
  - [http://kff.org/health-reform/](http://kff.org/health-reform/)
- Robert Wood Johnson Foundation
- Commonwealth Fund
  - [http://www.commonwealthfund.org/Health-Reform.aspx](http://www.commonwealthfund.org/Health-Reform.aspx)
- US Department of Health and Human Services
Thank you for attending!

For more information...

• www.chronicdisease.org/?page=ccd_ACA

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  jalongi@chronicdisease.org
  916-452-2440 (pacific time zone)