The Affordable Care Act in 10 Easy Steps

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- The views expressed in this presentation are that of Gregg Margolis personally and do not reflect the Robert Wood Johnson Foundation or the US Department of Health and Human Services.
- Nothing in this presentation is for attribution.

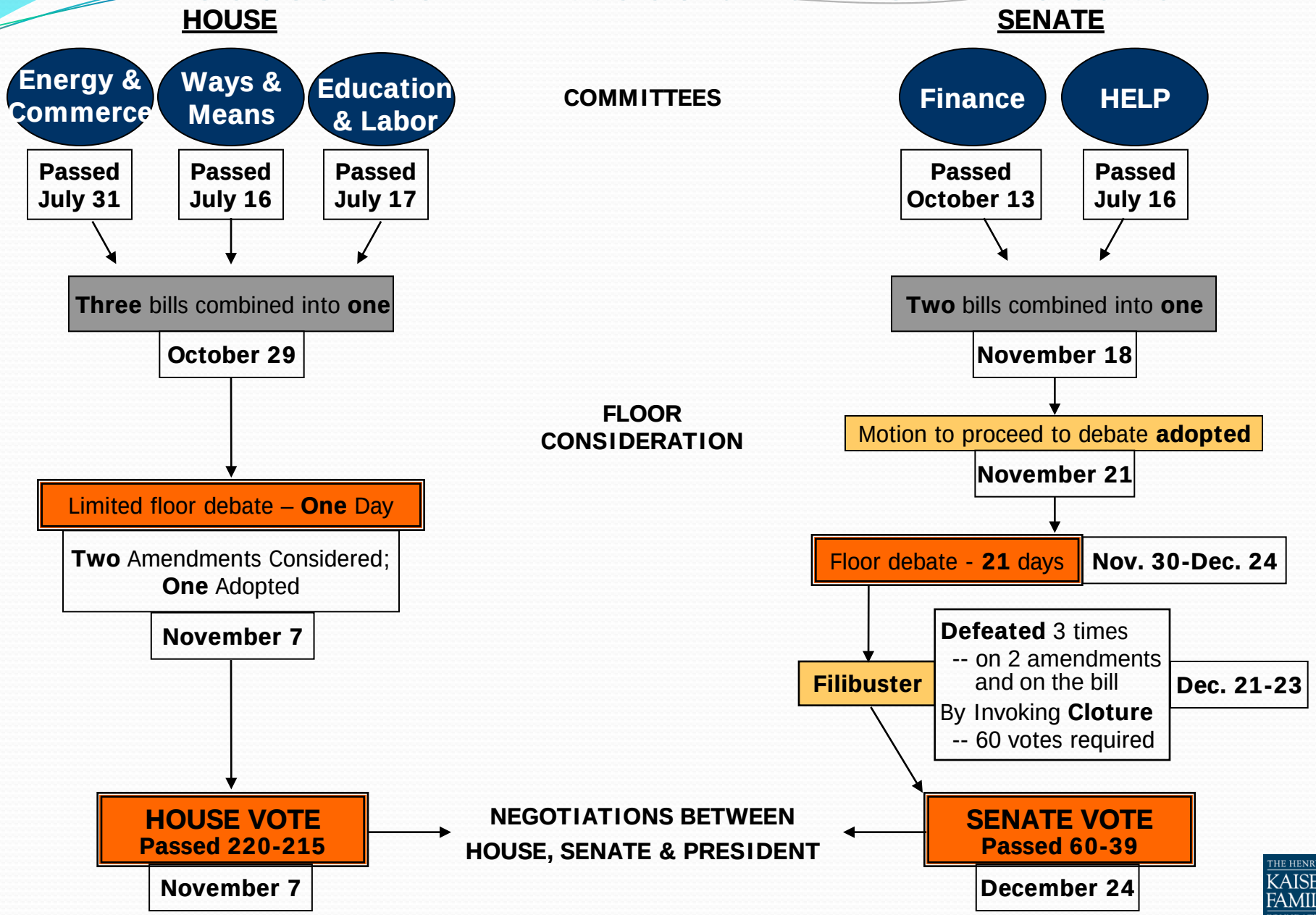
Our Health Care System

- Is expensive/unaffordable/unsustainable.
- Delivers inconsistent quality.
- Is inaccessible by many.

Presentation Outline

- The Ten Titles of the Patient Protection and Affordable Care Act
- The Specific References to Emergency Care
- Open Discussion
- Some Essential Resources

Overview of the Health Reform Legislative Process: Committees and Floor Debate



Source: Kaiser Family Foundation, 2010

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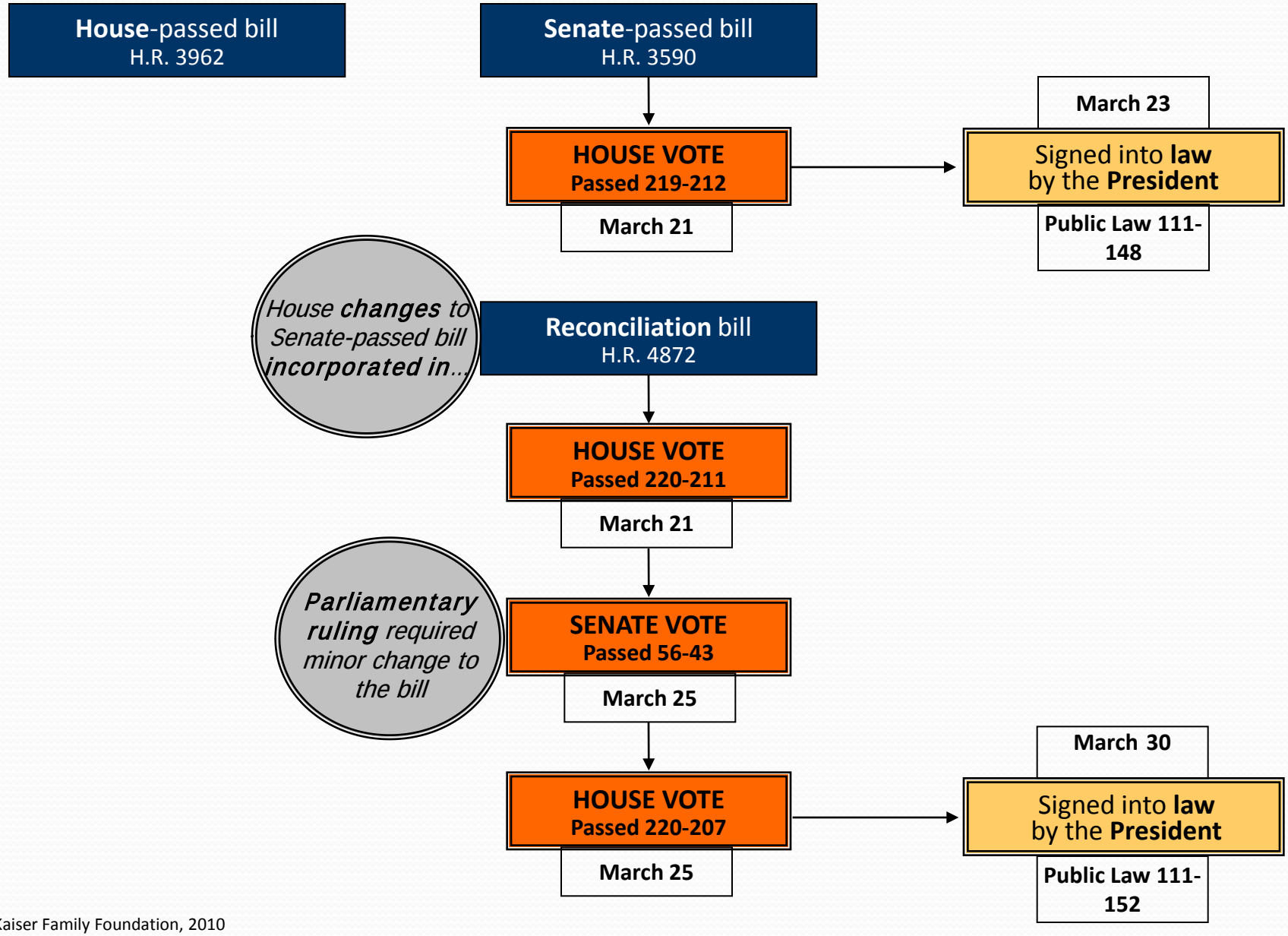
Overview of the Health Reform Legislative Process: Final Stages



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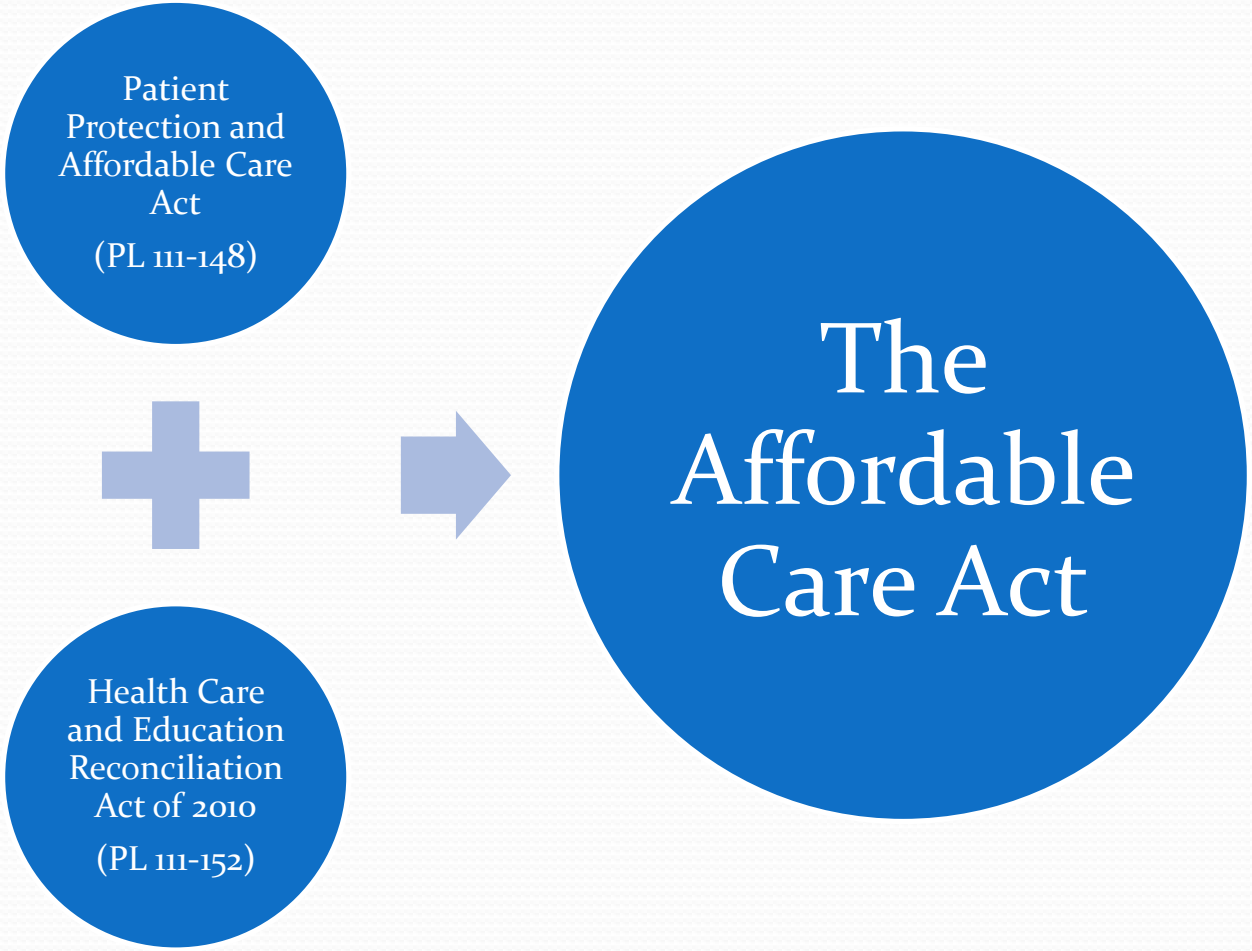

Patient Protection and Affordable Care Act
(PL 111-148)
Health Care and Education Reconciliation Act of 2010
(PL 111-152)
The Affordable Care Act

The Patient Protection and Affordable Care Act (PL 111-148)

I. QUALITY, AFFORDABLE HEALTHCARE FOR ALL AMERICANS
II. ROLE OF PUBLIC PROGRAMS
III. IMPROVING THE QUALITY AND EFFICIENCY OF HEALTH CARE
IV. PREVENTION OF CHRONIC DISEASE AND IMPROVING PUBLIC HEALTH
V. HEALTHCARE WORKFORCE
VI. TRANSPARANCY AND PROGRAM INTEGRITY
VII. IMPROVING ACCESS TO INNOVATIVE MEDICAL THERAPIES
VIII. CLASS ACT
XI. REVENUE PROVISIONS
X. STRENGTHENING QUALITY, AFFORDABLE HEALTH CARE FOR ALL AMERICANS

TITLES I and II

- Goal: Reduce the number of Americans without health insurance
- Accomplished through:
  - Health Insurance Market Reform, and
  - Maintaining* employment-based health insurance and non-group coverage
  - Expanding Individual Coverage
    - Guaranteed Issue/Individual Responsibility
    - State Insurance Exchanges with premium subsides
  - Expanding Public Programs (esp. Medicaid and CHIP)

* =actually, slightly decreasing

Effects of ACA on Insurance Coverage

Millions of non-elderly people

	Medicaid	Employer Based	Non Group	Exchanges	Uninsured
2010	40	150	27	0	50
2019 without ACA	35	162	30	0	54
2019 with ACA	51	159	25	24	23
Difference	+16	-3	-5	+24	-32

By 2019, 94% of Americans will have health insurance

I: QUALITY, AFFORDABLE HEALTHCARE FOR ALL AMERICANS

- aka: Health insurance market reform
- Goal: Align incentives to expand employer and individual participation in the private health insurance market.
- Major Provisions:
  - Individual and Group Market Reforms
  - Qualified Health Plans/Essential Health Benefits
  - State Health Insurance Exchanges
  - Immediate programs to expand coverage
  - Individual Tax Credits Health Insurance Premiums
  - Small Business Tax Credits
  - Individual Responsibility
  - Employer Responsibility

II: ROLE OF PUBLIC PROGRAMS

- Aka: Medicaid & Children's Health Insurance Program (CHIP)
- Goal: Expand health insurance coverage of children and low income adults/families.
- Major Provisions:
  - Sets Uniform Eligibility and Enrollment Standards
    - National eligibility floor of 133% of the federal poverty level
    - Provides Federal financing for >90% of the increased cost to States
  - CHIP Extension through 2019
  - Establishes the Medicaid and CHIP Payment and Access Commission (MACPAC)

III: IMPROVING THE QUALITY AND EFFICIENCY OF HEALTH CARE

- Aka: Medicare and delivery system reform
- Goal: Ensure that the government pays for the quality of health care, not the quantity of health care.
- Major Provisions:
  - Linking payment to quality
  - Delivery System Reforms
    - National Quality Strategy
    - Medical Homes, Accountable Care Organizations, Preventable Readmissions, Hospital Infections
  - Changes to Lower Medicare Spending
    - Medicare Advantage
    - Hospitals, Home Health, Hospice Market Basket Payment Adjustments

IV: PREVENTION OF CHRONIC DISEASE AND IMPROVING PUBLIC HEALTH

- aka: Prevention and wellness
- Goal: Develop mechanisms that encourage health and wellness.
- Major Provisions:
  - Prevention and Wellness Commission
  - Wellness visit coverage
  - Creating healthier communities
  - Calorie Labeling in Chain Restaurants
  - Support for Public Health Innovation

V: HEALTH CARE WORKFORCE

- aka: Healthcare workforce transformation
- Goal: Ensure sufficient size and distribution of health care professionals.
- Major Provisions:
  - National Workforce Commission
  - Primary Care Expansions
  - Dramatic Expansion of Community Health Centers
  - National Health Service Corps
  - Student Loan Repayment Programs
  - Recruitment and Retention Programs

VI: TRANSPARENCY AND PROGRAM INTEGRITY

- aka: Reducing waste, fraud, and abuse
- Goal: Reduce the amount of waste, fraud, and abuse in public programs
- Major Provisions:
  - Physician Payment Sunshine Act
  - Medicare & Medicaid Fraud & Abuse
  - Nursing Home Transparency
  - Patient Centered Outcomes Research Institute
  - Medicare, Medicaid and CHIP program integrity
  - Elder Justice Act

VII: IMPROVING ACCESS TO INNOVATIVE MEDICAL THERAPIES

- Aka: A Pathway for Bio-Similars
- Goal: Reduce the cost of pharmaceuticals
- Major Provisions
  - FDA Approval for Generic
  - Expansion of the 340B program

VIII: CLASS ACT

- Aka: Community Living Assistance Services & Supports (CLASS)
- Goal: Provide a non-profit, long term care insurance option.
- Major Provisions
  - Public – Program – Option
  - National cash support program for disabled
  - Minimum 5 years monthly premium payments
  - Premium TBD by DHHS Secretary
  - Daily cash benefit $50-75
  - $ to be used to support community living

IX: REVENUE PROVISIONS

- aka: How are we going to pay for this?
- Goal: Fund the health care system.
- Major Provisions
  - FICA High Income Changes
  - Fees on Health Insurers, Drug Manufacturers & Med Device Makers
  - "Cadillac" Tax on High Cost Health Plans
  - Tax on Indoor Tanning Services

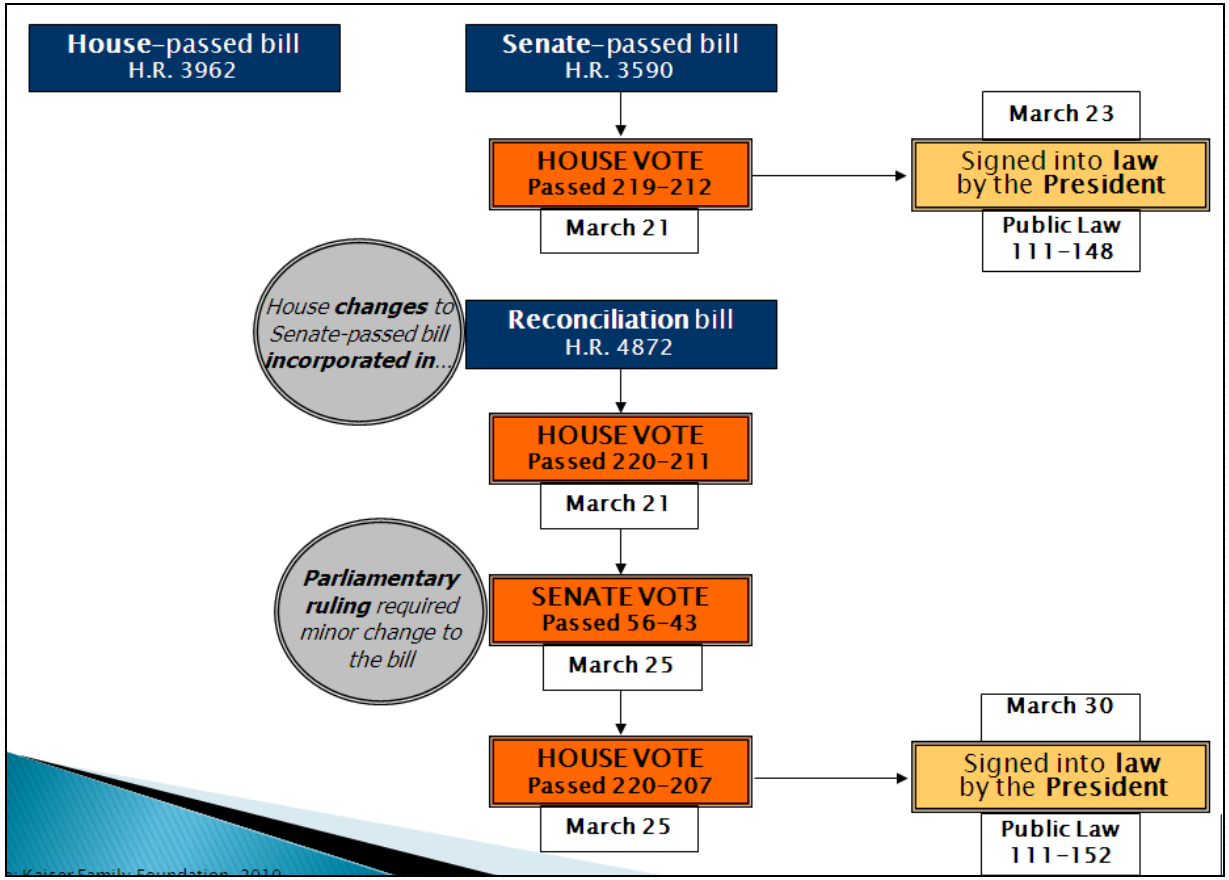
AFFORDABLE CARE FOR ALL AMERICANS

- Aka: The Manager's (Harry Reid) Amendment
- Goal: Achieve 60 Senate votes
- Major Provisions:
  - Free choice vouchers
  - Enhanced waste, fraud and abuse provisions
  - Increased funding for CHCs and FQHCs
  - The "Nebraska Compromise"

Health Care and Education Reconciliation Act of 2010 (PL 111-152)

I. COVERAGE, MEDICARE, MEDICAID, AND REVENUES

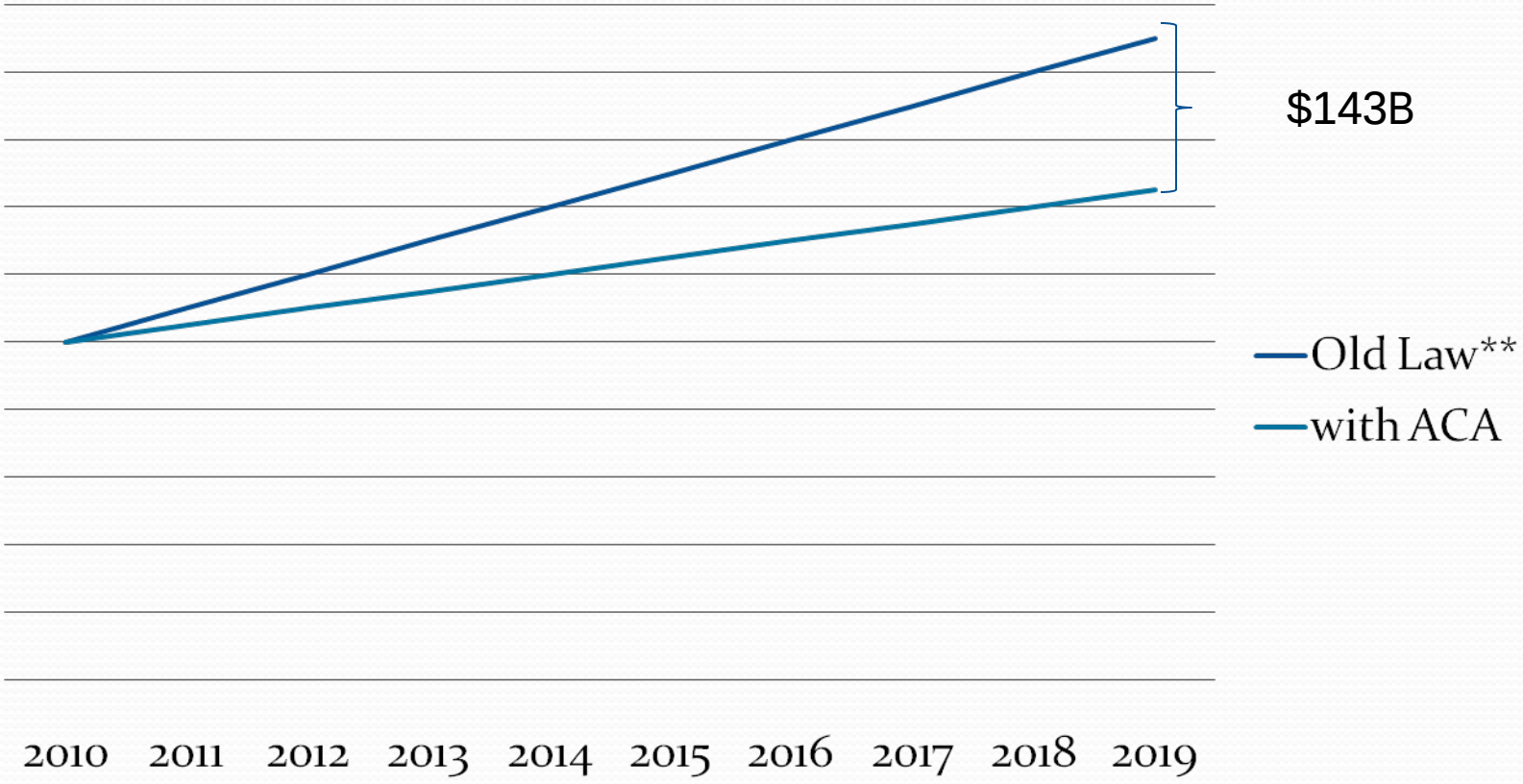
II. EDUCATION AND HEALTH



I. COVERAGE, MEDICARE, MEDICAID, AND REVENUES

- aka: How do we address differences without a conference?
- Goal: Resolve the differences between House and Senate bills
- Major Provisions
  - Changed details of many, many revenue and implementation issues
  - Changed the structure of the guaranteed student loan program (eliminated the 'middle man')

Effect of the ACA on the Federal Deficit*



*Note: NOT to scale, for illustration only.
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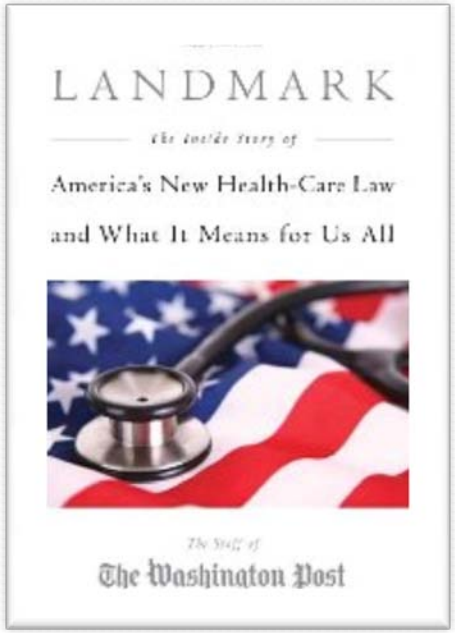
Essential Resources

- The Kaiser Family Foundation (www.kff.org and www.healthreform.kff.org)

  especially, "Summary of New Health Care Reform Law" at http://www.kff.org/healthreform/upload/8061.pdf
- Landmark: The Inside Story of America's New Health Care Law and What It Means for Us All

  The Staff of the Washington Post



Patient Protection and Affordable Care Act: Emergency Medical Care Provisions

- **Demonstration Projects**
- Section 2707 Medicaid Emergency Psychiatric Demonstration Project
- Section 3504 Design and Implementation of Regionalized Systems Emergency Care
- Section 3021 Establishment of CMS Center for Medicare and Medicaid Innovation
- Section 2704 Integrated Care Around Hospitalization
- Section 3023 National Pilot on Payment Bundling
- Section 3024 Independence at Home Demonstration
- Section 3502 Community Health Teams / Medical Home Quality Initiatives
- Section 10607 State Demonstrations of Tort Litigation

- **Quality**
- Section 3011 National Strategy for Quality Improvement in Health Care
- Section 3013 Quality Measure Development
- Section 3014 Quality Measurement
- Section 3015 Data Collection: Public Reporting
- Section 3501 Health Care Delivery System Research: Quality Improvement Technical Assistance

- **Other Provisions**
- Section 3504 Emergency Medicine Research Portion
- Section 3505 Trauma Care Centers and Service Availability
- Section 5315 United States Public Health Sciences Track
- Section 5603 EMSC Reauthorization
- Section 5101 National Health Workforce Commission
- Section 5103 Health Care Workforce Assessment

Section 2707. Medicaid Emergency Psychiatric Demonstration Project

Purpose: Directs HHS to establish a demonstration project focused on the impact of behavioral / mental health on emergency medical care, and more generally, the overall functioning of the health care system.

Section 2707

- A State shall specify in its application a mechanism for how it will ensure that institutions participating in the demonstration will determine whether or not such individuals have been stabilized
- This mechanism shall commence before the third day of the inpatient stay.
- States participating in the demonstration project may manage the provision of services for the stabilization of medical emergency conditions through utilization review, authorization, or management practices, or the application of medical necessity and appropriateness criteria applicable to behavioral health.

Section 2707 - Evaluation

- (A) An assessment of access to inpatient mental health services under the Medicaid program; average lengths of inpatient stays; and emergency room visits.
- (B) An assessment of discharge planning by participating hospitals.
- (C) An assessment of the impact of the demonstration project on the costs of the full range of mental health services (including inpatient, emergency and ambulatory care).
- (D) An analysis of the percentage of consumers with Medicaid coverage who are admitted to inpatient facilities as a result of the demonstration project as compared to those admitted to these same facilities through other means.
- (E) A recommendation regarding whether the demonstration project should be continued after December 31, 2013, and expanded on a national basis.

Section 2707

- Not later than December 31, 2013, the Secretary shall submit to Congress and make available to the public a report on the findings of the evaluation

- **Funding:**
  - 3 year demo program, 75 million FY2011

Section 3504

- NEW ASPR Grant Programs

ASPR is now responsible for 4 grant programs:

- Under Part A:
  1. Establishment of programs for improving trauma care in rural areas (300-d3)
  2. Competitive Grants for trauma systems for the improvement of trauma care (300d-5)
  3. Design and Implementation of Regionalized Systems for Emergency Care (not yet codified, see HR 3590, Section 3504)
- Under Part B:
  - Formula Grants With Respect to Modifications of State Plans

- **Establishment of programs for improving trauma care in rural areas (300-d3)**
  - Grants aimed at improving the availability and quality of emergency medical services in rural areas
    - innovative uses of communications
    - developing model cirricula for training first responders, including EMTs, nurses, physicians, paramedics
      - long transport times
      - management of operations of the emergency services system
    - making training for EMS more available in rural areas
    - developing innovative protocols and agreements to increase access to prehospital care and equipment necessary for the transportation of seriously injured patients to the appropriate facilities (regionalization)
    - evaluating effectiveness of EMS protocols
    - increasing communication/coordination of State trauma systems
  - This grant program is statutorily obligated to receive 10% of funds allocated to part A programs – if 24 million is appropriated this grant will receive a minimum of 1.2 million dollars

- **Competitive Grants for trauma systems for the improvement of trauma care (300d-5)**
- Grants can be awarded to States, political subdivisions, consortia of States.
- Purpose – improving access and enhancing the development of trauma care systems
  - integrate and broaden the reach of the trauma care system
  - expand communications between trauma care system and EMS – improved equipment or telemedicine
  - improve data collection, retention
  - increase training, education, technical assistance opportunities

- **Design and Implementation of Regionalized Systems for Emergency Care (not yet codified, see HR 3590, Section 3504)**
- A minimum of 4 multiyear contracts or competitive grants to support pilot projects that design, implement, and evaluate innovative models of regionalized, comprehensive, and accountable emergency care and trauma systems.
  - State or a partnership of 1 or more States and 1 or more local governments, Indian tribe, a partnership of 1 or more Indian tribes,
- Pilot project must design, implement, and evaluate an emergency medical and trauma system that:
  - Coordinates with public health and safety services
  - includes a mechanism to ensure that the patient is taken to the medically appropriate facility
  - allows tracking prehospital and hospital resources, including bed capacity, emergency department capacity, on call specialist coverage, ambulance diversion status
  - Includes a consistent, region wide prehospital, hospital and interfacility data management system

- **Formula Grants With Respect to Modifications of State Plans**
- Purpose – grants must be for the purpose of developing, implementing and monitoring and must
  - specify a public or private entity that will designate trauma centers
  - contain standards and requirements for the implementation of regional trauma care systems
  - contain standards and guidelines for medically directed triage
  - establishes the collection of data in accordance with data collection requirements established in consultation with surgical, medical and nursing specialty groups
    - identify the number of severely injured trauma patients and number of deaths
    - identify cause of the injury and factors contributing to the injury
    - monitor trauma patient care including pre-hospital care
    - provides for appropriate transportation and transfer policies to ensure the delivery of patients to designated trauma centers and other facilities within and outside of the jurisdiction of such system, including policies to ensure that only individuals appropriately identified as trauma patients are transferred to designated trauma centers, and to provide periodic reviews of the transfers and the auditing of such transfers that are determined to be appropriate
    - provides for coordination and cooperation between the State and any other State with which the State shares any standard metropolitan statistical area.

Section 3504 – New ASPR Authorities

i. Conduct and support research, training, evaluations, and demonstration projects
ii. Foster the development of appropriate modern systems of care
iii. Collect, compile and disseminate information on the achievements of and the problems experienced by State and local agencies
iv. Provide to State and local agencies technical assistance to enhance each State's trauma care component of their plan for the provision of EMS.
v. Sponsor workshops and conferences
vi. Promote the collection and categorization of trauma data in a consistent and standardized manner.

a. The Secretary may make grants, and enter into cooperative agreements and contracts for these purposes.

Section 3504

- (a) **Authorization of appropriations**
- For the purpose of carrying out parts A and B, subject to subsections (b) and (c), there are authorized to be appropriated $24,000,000 for each of fiscal years 2010 through 2014.

Section 3504

- 24 million appropriated 12 million would go to Part A and 12 million to Part B

Part A – 12 million

- 10% (1.2 million) would go to administrative purposes.
- Another 10% (1.2 million) would be allocated for grants for the Establishment of Programs for improving trauma care in rural areas.
- That would leave 9.6 million to be spent on:
  - Competitive grants for trauma systems for the improvement of trauma care,
  - Design and implementation of regionalized systems of emergency care, and
    - (Note: that 4 regionalization grants must come from this 9.6 million)
  - Other such purposes consistent with the general provisions (workshops, conferences, research, etc).

Part B – 12 million

- Formula Grants With Respect to Modifications of State Plans
- Using the formula, Illinois would receive $811,200. Maryland would receive $302,697.

Section 3021 Establishment of Center for Medicare and Medicaid Innovation Within CMS

- **General:** There is created within the Centers for Medicare & Medicaid Services a Center for Medicare and Medicaid Innovation (in this section referred to as the 'CMI') to carry out the duties described in this section. The purpose of the CMI is to test innovative payment and service delivery models to reduce program expenditures under the applicable titles while preserving or enhancing the quality of care furnished to individuals under such titles. In selecting such models, the Secretary shall give preference to models that also improve the coordination, quality, and efficiency of health care services furnished to applicable individuals defined in paragraph (4)(A).

  Consultation: In carrying out the duties under this section, the CMI shall consult representatives of relevant Federal agencies, and clinical and analytical experts with expertise in medicine and health care management. The CMI shall use open door forums or other mechanisms to seek input from interested parties.

Section 2704 – Demo Project to Evaluate Integrated Care Around Hospitalization

- Up to 8 States
- Jan 2012 until December 31, 2016
- **Focus of Demonstration:** With respect to an episode of care that includes a hospitalization; and for concurrent physicians services provided during a hospitalization. The demonstration project shall focus on conditions where there is evidence of an opportunity for providers of services and suppliers to improve the quality of care furnished to Medicaid beneficiaries while reducing total expenditures under the State Medicaid programs selected to participate, as determined by the Secretary.

- **Section 3023 National Pilot Program on Payment Bundling**
- **General:**
  - The Secretary shall establish a pilot program for integrated care during an episode of care provided to an applicable beneficiary around a hospitalization in order to improve the coordination, quality, and efficiency of health care services under this title. This is a 5 year program
- **Applicable Conditions Considerations:**
  - Chronic and acute conditions
  - Surgical and medical conditions
  - Whether a condition is one for which there is evidence of an opportunity for providers of services and suppliers to improve the quality of care furnished while reducing total expenditures under this title.
  - Whether a condition has significant variation in: the number of readmissions; and the amount of expenditures for post-acute care spending.
  - High volume conditions with post acute expenditures
- **Applicable Services:**
  - Acute care inpatient services
  - Physicians services in and outside of an acute care hospital setting
  - Outpatient hospital services, including emergency department services
  - Post acute care services, including home health services, skilled nursing, inpatient hospital services.
  - Other services deemed appropriate by Secretary.

- **Section 3024 Independence at Home Demonstration Program**

- **Purpose:** The Secretary shall conduct a demonstration program (in this section referred to as the 'demonstration program') to test a payment incentive and service delivery model that utilizes physician and nurse practitioner directed home-based primary care teams designed to reduce expenditures and improve health outcomes in the provision of items and services under this title to applicable beneficiaries

- **Demonstration to test: T**he demonstration program shall test whether a model, which is accountable for providing comprehensive, coordinated, continuous, and accessible care to high-need populations at home and coordinating health care across all treatment settings, results in: reducing preventable hospitalizations; preventing hospital readmissions; reducing emergency room visits; improving health outcomes commensurate with the beneficiaries' stage of chronic illness; improving the efficiency of care, such as by reducing duplicative diagnostic and laboratory tests; reducing the cost of health care services covered under this title; and achieving beneficiary and family caregiver satisfaction.

- **SEC. 3502. Establishing Community Health Teams to Support the Patient-Centered Medical Home**

- **General:** The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall establish a program to provide grants to or enter into contracts with eligible entities to establish community-based interdisciplinary, interprofessional teams (referred to in this section as "health teams") to support primary care practices, including obstetrics and gynecology practices, within the hospital service areas served by the eligible entities. Grants or contracts shall be used to establish health teams to provide support services to primary care providers; and provide capitated payments to primary care providers as determined by the Secretary.

- **Section 10607 State Demonstrations of Tort Litigation**

- **Purpose:** The Secretary is authorized to award demonstration grants to States for the development, implementation, and evaluation of alternatives to current tort litigation for resolving disputes over injuries allegedly caused by health care providers or health care organizations. In awarding such grants, the Secretary shall ensure the diversity of the alternatives so funded. Grants may not exceed 5 years.

- **Funding:** There are authorized to be appropriated to carry out this section, $50,000,000 for the 5-fiscal year period beginning with fiscal year 2011.

Quality

- Health Care Reform requires the Secretary of HHS to establish a national strategy to improve the delivery of health care services, patient health outcomes and overall population health. (Section 3011). The strategy must identify national priorities that will have the greatest potential for improving the health outcomes, efficiency, for all populations, including children.

- Section 3011 establishes a **working group** that is charged with fostering the **collaboration, cooperation, and consultation necessary between Federal departments and agencies** with respect to developing and disseminating strategies, goals, models, and timetables that are consistent with the national priorities.

- In addition, the working group is responsible for the avoidance of inefficient duplication of quality improvement efforts and resources, where practicable, and a streamlined process for quality reporting and compliance requirements.

- Health care reform also provides additional funds for the further development of quality measures and boosts the NQF funding to 30 million dollars for each fiscal year 2010 through 2014.

- In addition, the law allocates 75 million dollars for each fiscal year 2010 through 2014 which the Secretary can use to award grants, contracts, or intergovernmental agreements to eligible entities for purposes of developing, improving, updating, or expanding quality measures.

Other Provisions

3504- Research

- The Secretary shall support Federal programs administered by the National Institutes of Health, the Agency for Healthcare Research and Quality, the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and other agencies involved in improving the emergency care system to expand and accelerate research in emergency medical care systems and emergency medicine, including: the basic science of emergency medicine; the model of service delivery and the components of such models that contribute to enhanced patient health outcomes; the translation of basic scientific research into improved practice; and the development of timely and efficient delivery of health services.

3504 - Research

- The Secretary shall support Federal programs administered by the National Institutes of Health, the Agency for Healthcare Research and Quality, the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and other agencies to coordinate and expand research in pediatric emergency medical care systems and pediatric emergency medicine, including: an examination of the gaps and opportunities in pediatric emergency care research and a strategy for the optimal organization and funding of such research; the role of pediatric emergency services as an integrated component of the overall health system; system-wide pediatric emergency care planning, preparedness, coordination, and funding; pediatric training in professional education; and research in pediatric emergency care, specifically on the efficacy, safety, and health outcomes of medications used for infants, children, and adolescents in emergency care settings in order to improve patient safety.

Section 3505

- Under PPACA Section 3505, HRSA maintains two trauma grant programs, which were reauthorized at $100 million per year per program (but not appropriated).
  - Trauma Care Center Grants
  - Trauma service availability grants

- Trauma care center grants – The Secretary shall establish 3 programs to award grants to qualified public, nonprofit Indian Health Service, Indian tribal, and urban Indian trauma centers—
  - to assist in defraying substantial uncompensated care costs;
  - to further the core missions of such trauma centers, including by addressing costs associated with patient stabilization and transfer, trauma education and outreach, coordination with local and regional trauma systems, essential personnel and other fixed costs, and expenses associated with employee and non-employee physician services; and
  - to provide emergency relief to ensure the continued and future availability of trauma services.

- Trauma service availability grants - To promote universal access to trauma care services provided by trauma centers and trauma-related physician specialties, the Secretary shall provide funding to States to enable such States to award grants to eligible entities. These grants may be used to:
  - Providing trauma centers with funding to support physician compensation in trauma-related physician specialties where shortages exist in the region involved, with priority provided to safety net trauma centers.
  - Providing for individual safety net trauma center fiscal stability and costs related to having service that is available 24 hours a day, 7 days a week, with priority provided to safety net trauma centers located in urban, border, and rural areas.
  - Reducing trauma center overcrowding at specific trauma centers related to throughput of trauma patients.
  - Establishing new trauma services in underserved areas as defined by the State.
  - Enhancing collaboration between trauma centers and other hospitals and emergency medical services personnel related to trauma service availability.
  - Making capital improvements to enhance access and expedite trauma care, including providing helipads and associated safety infrastructure.
  - Enhancing trauma surge capacity at specific trauma centers.
  - Ensuring expedient receipt of trauma patients transported by ground or air to the appropriate trauma center.
  - Enhancing interstate trauma center collaboration.

- **Section 5603 EMSC Reauthorization**
- Reauthorizes the EMSC Program for five years, from fiscal year (FY) 2010 to FY 2014. Changes the EMSC grant cycle from three years with an optional fourth year to four years with an optional fifth year. It authorizes an appropriation of $25 million for the Program in FY 2010, increasing to $30.4 million in FY 2014. These amounts, however, are simply a guide as to how much funding Congress believes the Program should receive; Actual funding is provided through the annual appropriations process

- **Section 5101 National Health Care Workforce Commission**
- **Purpose:** Establishes a 15 person commission, appointed by the Comptroller General, to serve as a resource for Congress, communicate/coordinate with DHHS, recognize efforts of Federal, State, and local partnerships, to develop and offer health care career pathways of proven effectiveness; disseminate information on promising retention practices for health care professionals; and communicate information on important policies and practices that affect the recruitment, education and training, and retention of the health care workforce.

5101 Work Force

- **High Priority Area:** The education and training capacity, projected demands, and integration with the health care delivery system of: emergency medical service workforce capacity, including retention and recruitment of the volunteer workforce at all levels.

- **Experts and Consultants:** The Commission may seek such assistance and support as may be required from Federal departments and agencies.

Questions?