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healthcare financial management association

A Winning Offense for
Tomorrow's Challenges



The Patient Protection and Affordable Care Act

Overview of Implementation 2010-2011

Friday, January 21, 2011
Gillette Stadium Clubhouse

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Outline

- General overview of the ACA
- Context for MA, RI, CT
- 2010-11 implementation items





March 2010: President Obama signs the ACA into law





Elements of national reform

- Individual mandate
- Medicaid expansion
- Insurance subsidies
- Employer responsibility
- Exchange/Connector
- Insurance Market Reforms





The ACA is not just about coverage

Titles in the Law

I: QUALITY, AFFORDABLE HEALTH
CARE FOR ALL AMERICANS

V: HEALTH CARE WORKFORCE

II: ROLE OF PUBLIC PROGRAMS

VI: TRANSPARENCY AND
PROGRAM INTEGRITY

III: IMPROVING THE QUALITY AND
EFFICIENCY OF HEALTH CARE

VII: IMPROVING ACCESS TO
INNOVATIVE MEDICAL THERAPIES

IV: PREVENTION OF CHRONIC
DISEASE AND IMPROVING PUBLIC
HEALTH

VIII: CLASS ACT

IX: REVENUE PROVISIONS





Some context

	CT	MA	RI
% Uninsured, 2009 (CPS)	12.0	4.4	12.3
Medicaid eligibility (% of FPL)			
Children	185	200/300*	250
Parents	191	133	181
Childless Adults	300^	100/300**	NA
% of employers offering coverage (2009)	64	62	60
Average family premium (2009)	\$14,064	\$14,723	\$13,608

* Medicaid covers children over age 1 to 150% FPL, but separate CHIP program covers children up to 300%

** Medicaid state plan level is 100% FPL; other coverage up to 300% through 1115 waiver program (Commonwealth Care)

^ Not Medicaid; CT provides state-only premium subsidies to adults up to 300% FPL through the Charter Oak program





ACA implementation 2010-11

- Insurance market reforms
- Community health centers
- Payment reform
- Provisions affecting providers





Insurance market reforms

2010

- Review of health plan premium increases
- Pre-existing condition insurance plan
- Adult dependent coverage to age 26
- Consumer protections
- Coverage of preventive benefits without cost sharing
- Insurance plan appeals process





Insurance market reforms

2011

- Minimum medical loss ratio





Payment reform

2010

- Changes in Medicare provider rates
 - Reductions to market basket updates (productivity adjustment to be added in 2012)

2011

- Medicare bonus payments for primary care and for practicing in a HPSA
- Prohibition on Medicaid payments for HAI





Payment reform demonstrations

- Beginning in 2012 (proposals in 2011)
 - Health homes for chronically ill
 - Bundled payments for hospitalizations
 - Medicare ACO/shared savings
 - Pediatric ACO





Payment reform demonstrations

- Others
 - Medicare value-based purchasing (2013)
 - Medicare payment bundling (2013)
 - Reduced payments to hospitals with excessive readmissions (2012)
 - HHS develop plan for value-based purchasing demo in ambulatory surgical centers, skilled nursing facilities, and home health agencies (due 2011)
 - Medicaid global payment in safety net hospitals (2010, not yet announced)





Community health centers

2010

- Health centers and the National Health Service Corps
- Community Health Center Fund

2011

- Medicaid health homes
- Teaching health centers
- Grants for community-based collaborative care networks





Other provider provisions

2010

- Non-profit hospitals community needs assessment financial assistance policy
- Expansion of 340(B) drug discount program

2011

- Increase number of GME training positions





Now this is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning.

-Winston Churchill

