

Update on the Affordable Care Act

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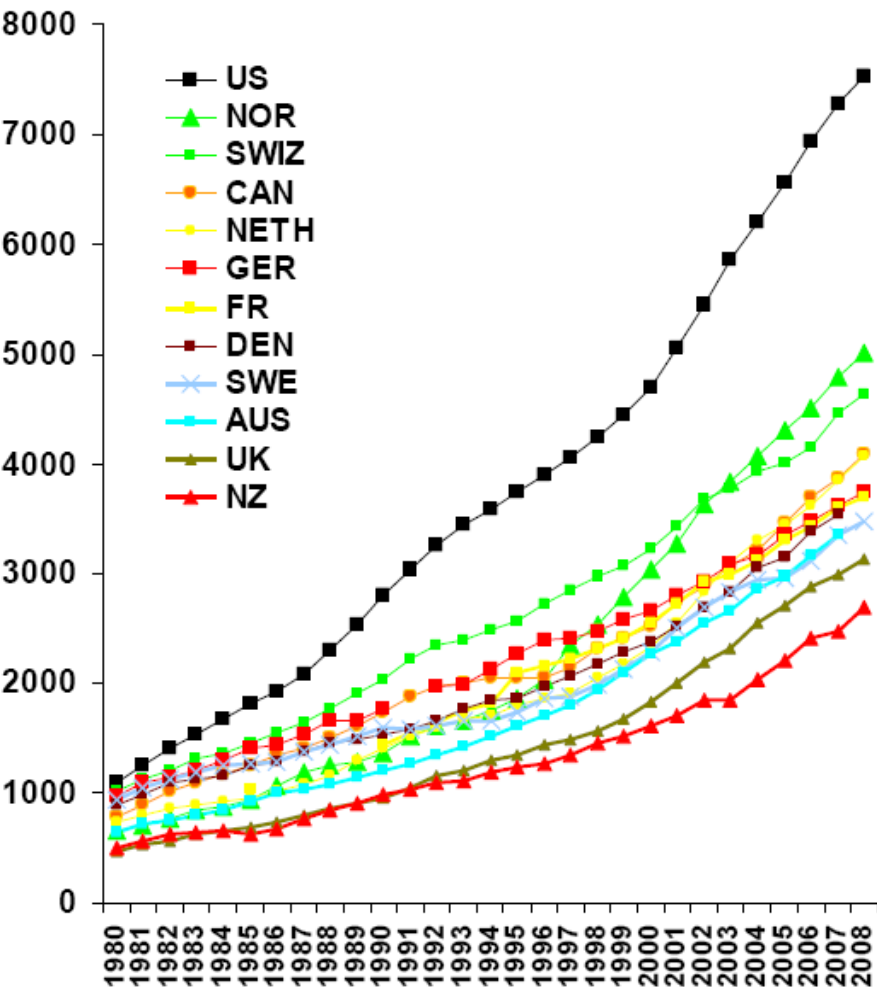
51

~~46~~ Million
Uninsured

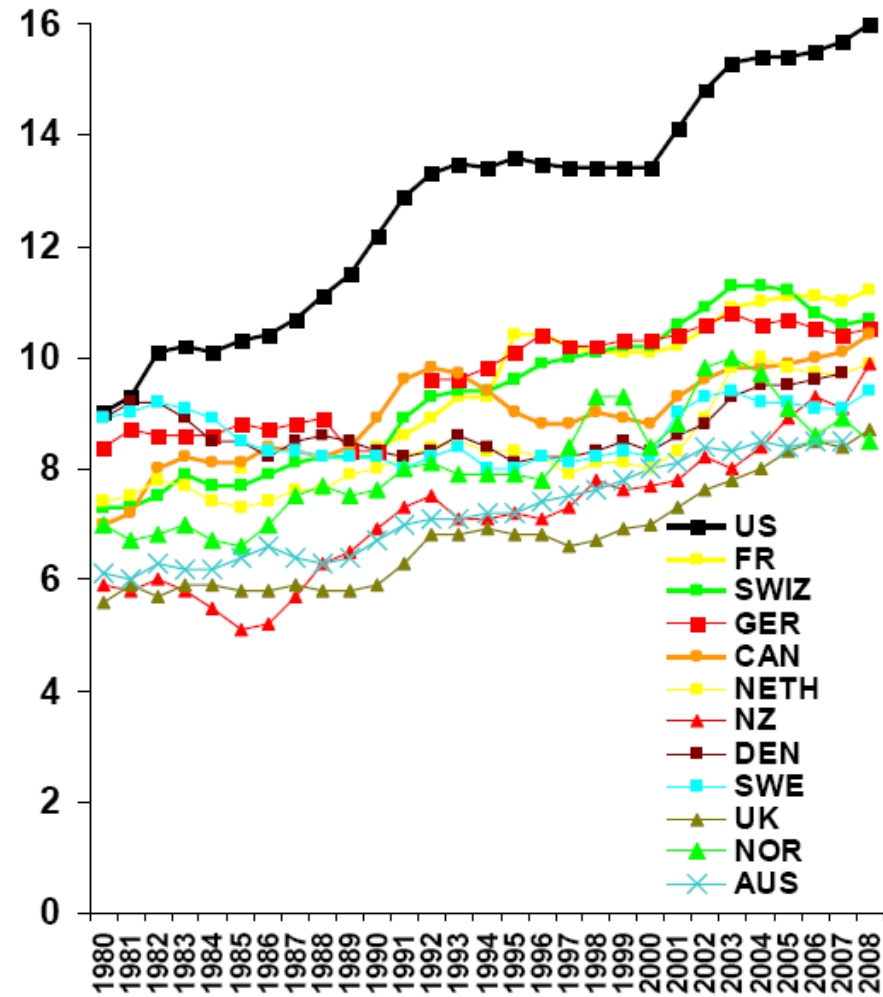
International Health Spending

1980-2008

Per Capita



Percent of GDP



44,798 Adult Deaths Annually Due to Uninsurance

State	% Uninsured	Excess Deaths
California	23.9	5,302
Texas	29.7	4,675
Florida	26.0	3,925
New York	17.5	2,254
Georgia	23.6	1,841
U.S.	15.3%	44,798

Percent Uninsured by State

Highest		Lowest	
1. Texas	28	1. Massachusetts	5%
2. New Mexico	26	2. Minnesota	11%
3. Florida	25%	3. Hawaii	12%
4. California	23%	4. Iowa	12%
5. Nevada	23%	5. Wisconsin	12%

May 2009

Sources: http://www.americanprogress.org/issues/2009/05/pdf/uninsured_rate.pdf

http://www.hhnmag.com/hhnmag_app/jsp/articledisplay.jsp?dcrpath=HHNMAG/Article/data/05MAY2009/0905HHN_CoverStory_sb2&domain=HHNMAG



So Why All The Fuss?

- ❑ People die because they don't have insurance
- ❑ Uninsured people raise the cost of health insurance for others
- ❑ Health insurance costs had been steadily rising
- ❑ Wages have stagnated
- ❑ Many people can no longer afford health insurance without subsidies

Patient Protection and Affordable Care Act

- Individual mandate (2014)
- Expansion of public programs (Medicaid)
- Changes to private insurance
- Employer requirements (2014)
- Coverage and cost estimates
 - 53% decrease in uninsured (25 M in 2019)
 - Spending will increase by 2%
 - \$800 billion increased spending (was \$900)
 - Offset by savings?

Insurance 101

- The “Risk Pool” is key – you want a large number of low risk people to “cover” a small high risk group (80-20 rule)
- Low risk – young adults (<50), workers, higher income, positive lifestyles, independent
- High risk – very young & older people, chronic conditions, risky lifestyle factors, dependent

Medicare

- Reduce payments to Medicare Advantage
 - Some bonuses for high quality programs
- Balance payments to high/low areas
- Establishes an “Independent Advisory Board”
 - Recommend cost savings (NOT benefit changes)
 - Funding reduced – no members appointed
- Early donut hole relief – eventual elimination
- Annual wellness exam benefit

Donut Hole and the ACA

- \$250 rebate
 - 255, 996 FL seniors received the rebate
 - Total amount to FL seniors - \$63,999,000
- Part D coverage gap discounts
 - 252,989
 - Ave. per senior - \$600
 - Total amount - \$151, 807,700
- 2019 – donut hole gone

Kff.org, 1/7/13

Medicare Cuts?

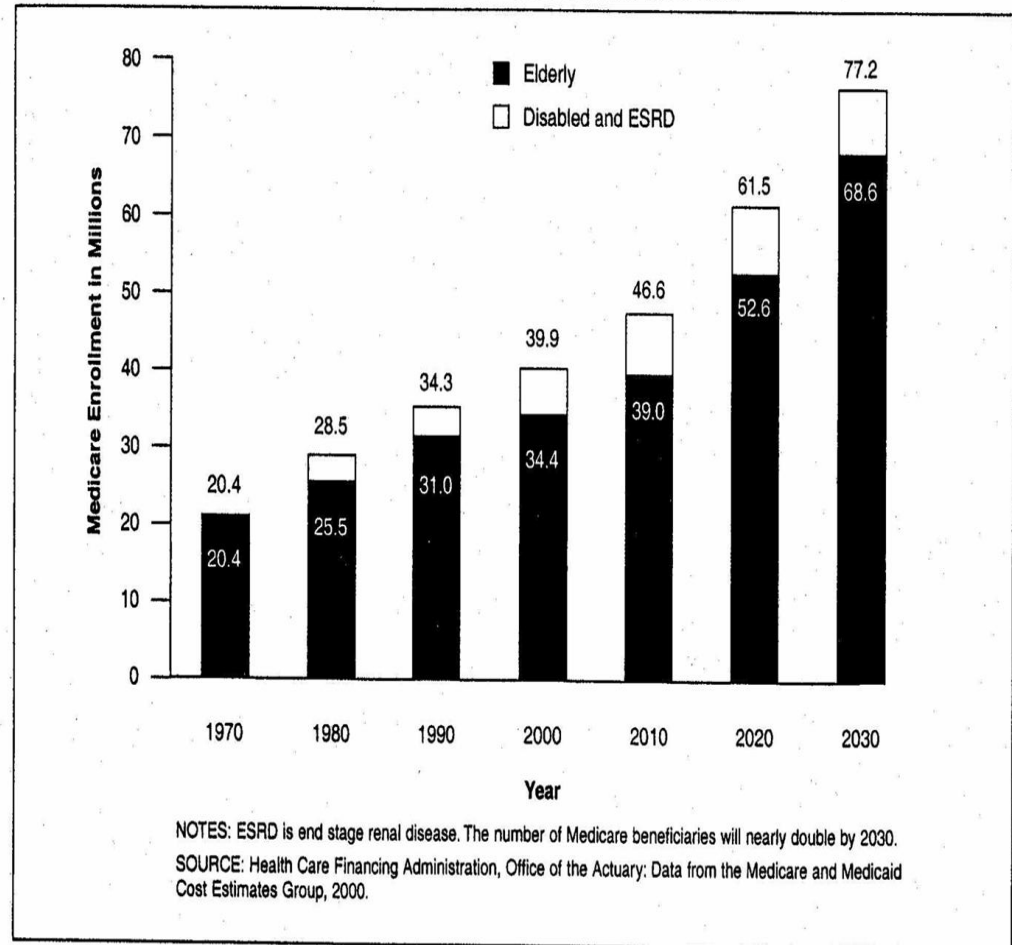
- Affordable Care Act
 - \$716 billion reduction in spending
 - Cuts to providers and hospitals
 - Cuts to Medicare Advantage programs (except high performing ones, like CHP)
 - Enrollment is UP since passage of the ACA
- Ryan plan (“Path to Prosperity”)
 - \$810 billion - Same cuts as above, plus some

Neither are cuts. They cut the growth of Medicare

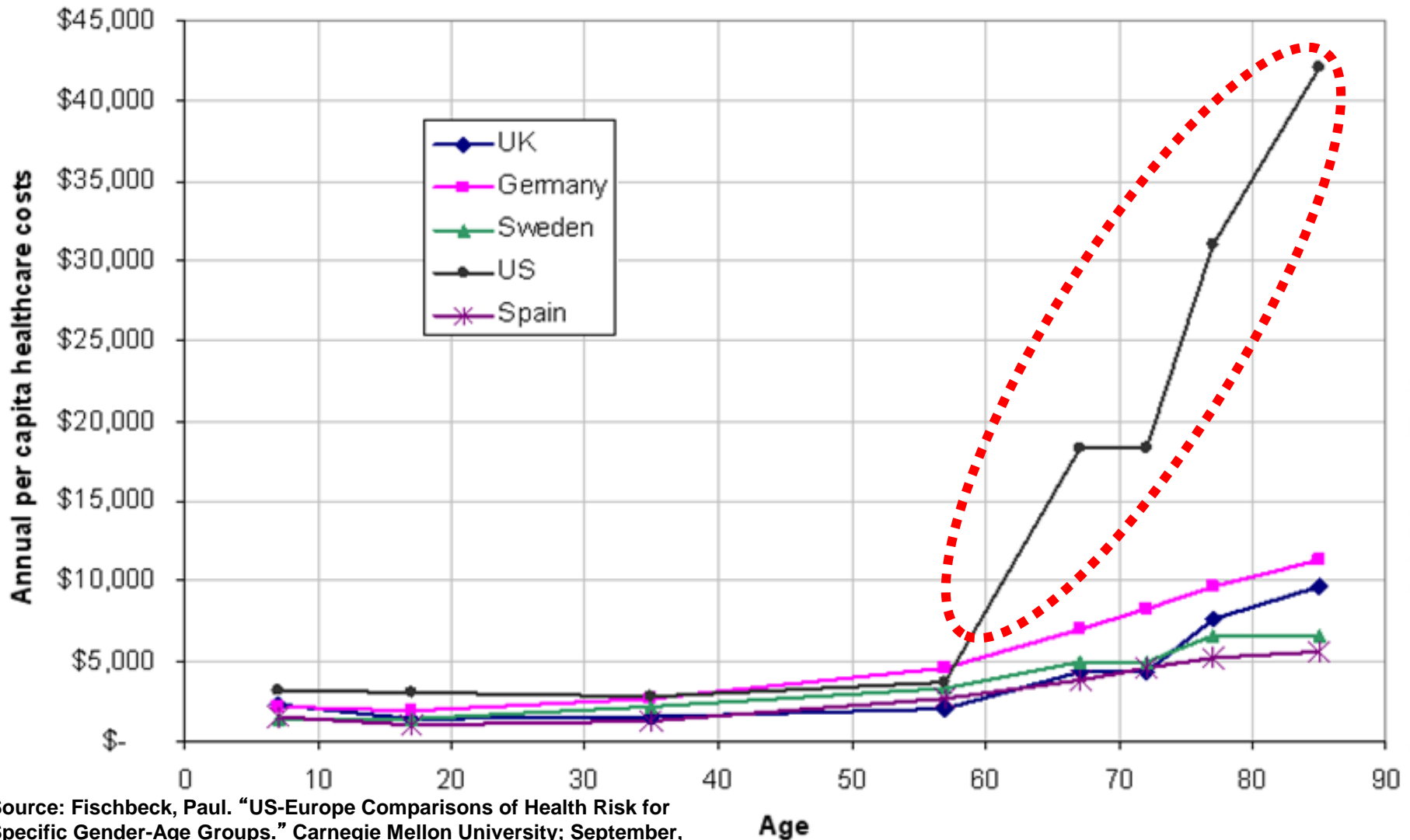
Medicare- Rising Costs

- Expenditures:
 - 2008 \$454 billion
 - 2009 \$484 billion(Estimated 13% of entire federal budget)
- Since ACA, increase per beneficiary is slower than growth of GDP (1.9%/yr)

Number of Medicare Beneficiaries: 1970-2030



U.S. spending much more for older ages



Source: Fischbeck, Paul. "US-Europe Comparisons of Health Risk for Specific Gender-Age Groups." Carnegie Mellon University; September, 2009.

Older Adult Workforce

- Geriatric Education Centers funding – \$10.8 million
- Expand Geriatric Academic Career Award to other disciplines (nursing, pharmacy, etc.)
 - New Geriatrics Career Incentive Award
- Advanced training opportunities
 - Professionals
 - Direct care workers (+ Medicaid money)

Care Coordination

- Create the Independence at Home demonstration program
 - Primary care in home – teams share in savings
- Create an Innovation Center at CMS
 - Foster patient-centered care & coordination
 - Test new models of care
 - Accountable Care Organizations
 - Bundled payments
 - Integrated hospital care
 - Community-based interdisciplinary teams in primary care

Nursing Home Transparency

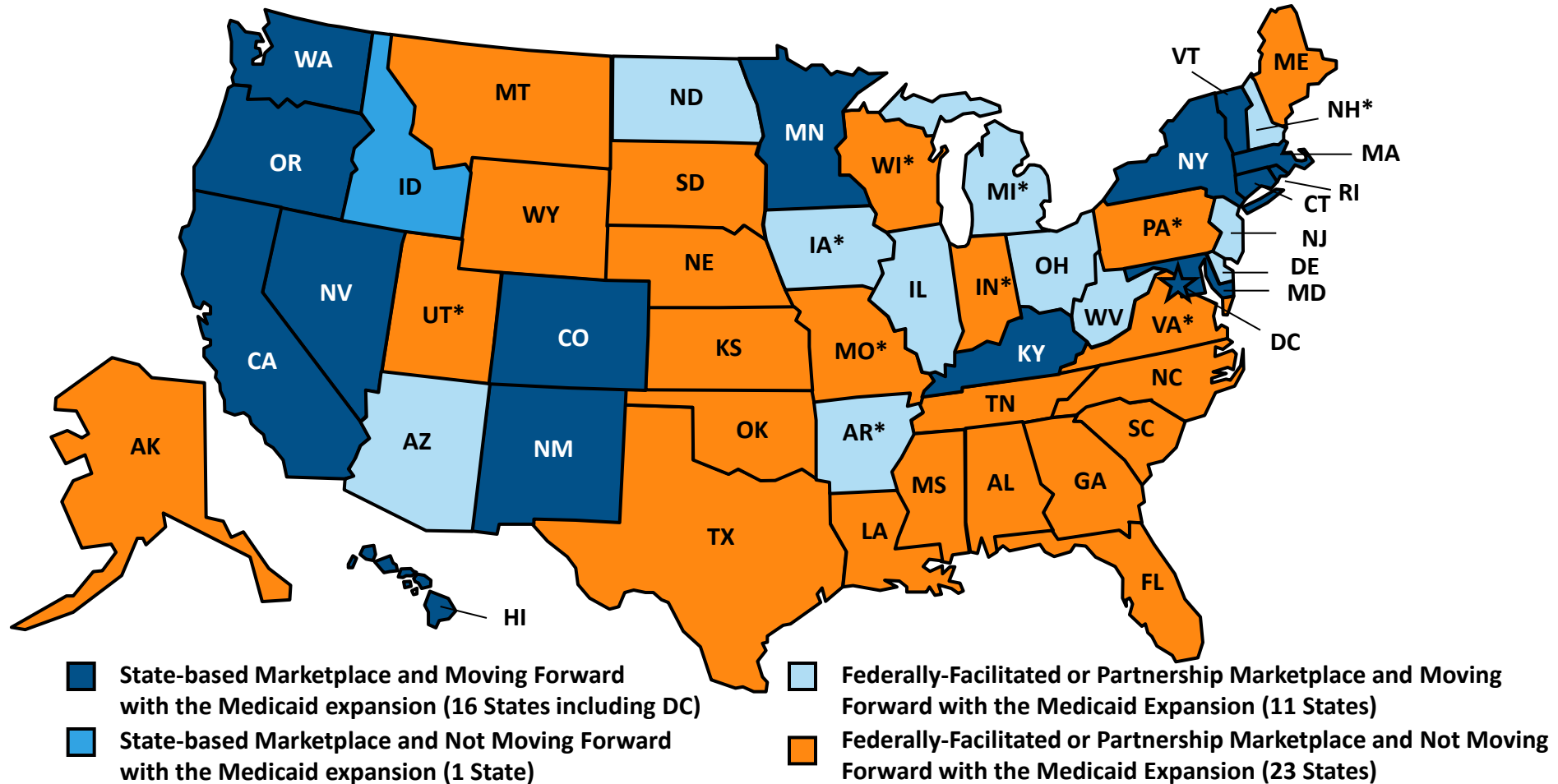
- ❑ Disclose ownership, financiers, etc.
- ❑ Take steps to reduce violations
- ❑ Establish quality assurance programs
- ❑ Provide dementia care training
- ❑ Data collection requirements
- ❑ Pilot program – extend to all states a national criminal background check system

2014 - FL Republican legislature trying to reduce this

Elder Justice

- Create an Elder Justice Coordinating Council
 - Report due in 2 years
- \$400 million for Adult Protective Services
 - \$100 million for state demonstration grants
- \$26 million to create Elder Abuse, Neglect and Exploitation Forensic Centers
- Money for LTC Ombudsman Program
- Money for LTC training and recruitment

Current Status of State Individual Marketplace and Medicaid Expansion Decisions, 2014



NOTES: *AR and IA have approved waivers for Medicaid expansion; MI has an approved waiver for expansion and plans to implement in Apr. 2014. NH passed legislation approving the Medicaid expansion in March 2014; the expansion will start July 1, 2014. WI amended its Medicaid state plan and existing waiver to cover adults up to 100% FPL, but did not adopt the expansion. IN and PA have pending waivers for alternative Medicaid expansions. These states along with MO, VA, UT have been classified as Open Debate on the Medicaid expansion decision.

SOURCE: State Decisions on Health Insurance Marketplaces and the Medicaid Expansion, 2014, KFF State Health Facts, <http://kff.org/health-reform/state-indicator/state-decisions-for-creating-health-insurance-exchanges-and-expanding-medicaid/>.

Private Insurance Reforms

- Temporary national high risk pool (until 2014)
- Dependent coverage until age 26
- Prohibit plans from:
 - Placing lifetime limits on coverage
 - Rescinding coverage
 - Refusing patients with pre-existing conditions
- Require free preventive services
- Limit Medical Loss Ratio to 85% (80%)

This has directly affected over 125 million people

Private Insurance Reforms

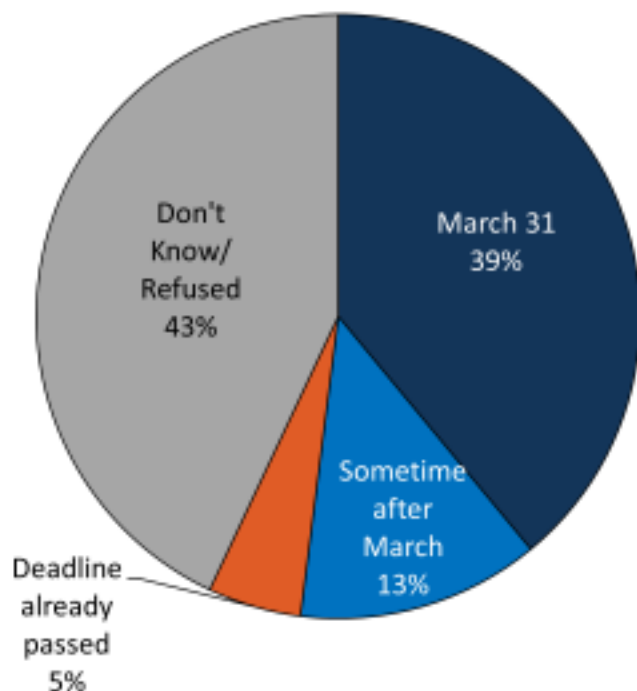
- Require a single set of eligibility rules, encounter/claims information, and fund transfers
- Control out-of-pocket charges, limit deductibles, limit waiting periods
- Preventive care with no co-pay
 - Affected 109 million people

Individual Mandate

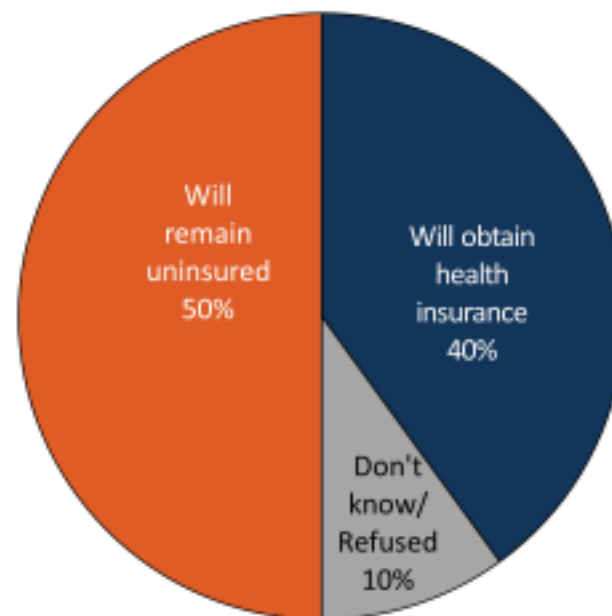
- Started in 2014
- Must have coverage or pay \$695 to \$2085 per family
 - Phased in over 3 years (\$95, \$325, \$695)
- 2016 – increased annually by COL adjustment
- Exemptions – poor, native Americans, “religious objection,” a few others

Six In Ten Uninsured Unaware Of Sign-Up Deadline, Half Say They Plan To Remain Uninsured

AMONG UNINSURED AGES 18-64: As you may know, the health care law requires nearly all Americans to have health insurance, or else pay a fine. Do you happen to know the deadline for individuals to sign-up for health insurance?



AMONG UNINSURED AGES 18-64: As you may know, the health care law requires nearly all Americans to have health insurance by the end of March, or else pay a fine. Do you think you will obtain health insurance, or do you think you will remain uninsured?



SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted March 11-17, 2014)

Demand for Insurance

- 7.5 million signed up for insurance
 - In spite of significant website problems
- People procrastinate – always late
- CA – 7/10 uninsured > 2 yrs



Alamodome, San Antonio

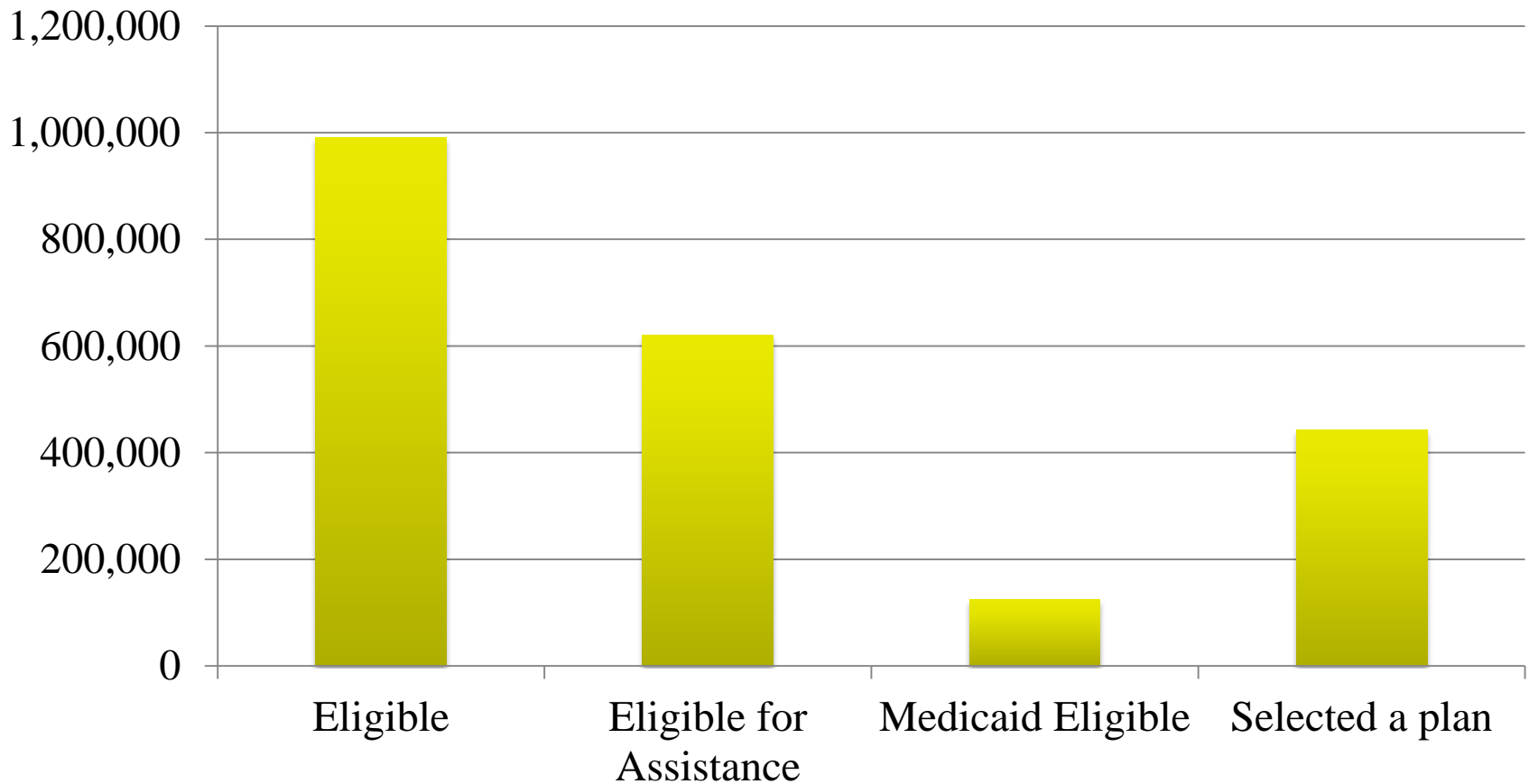


Las Vegas

More Expensive Insurance?

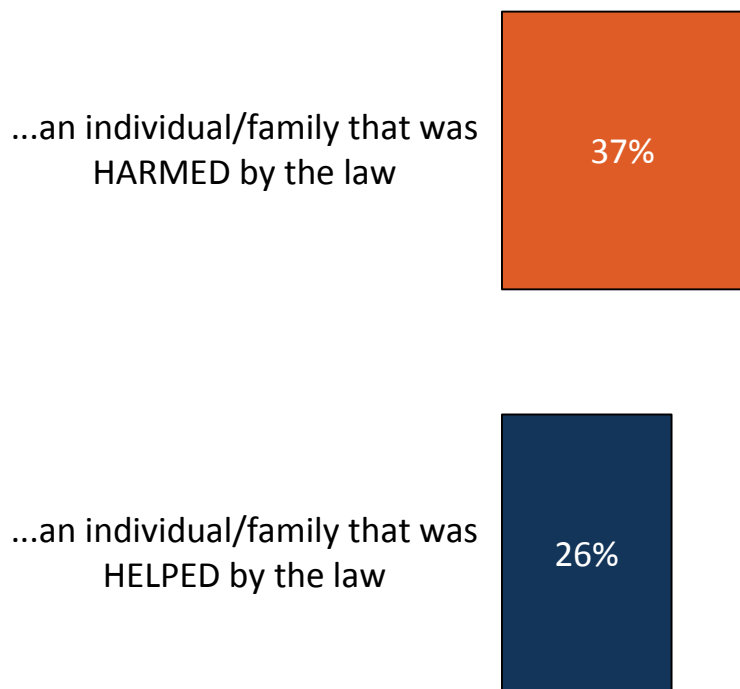
- 442,000 Floridians signed up by 3/14
 - 90% (398,000) qualified for subsidies
- \$2,950 – average subsidy per enrollee
- Only 25% of eligible persons in FL have applied for the subsidy
 - Higher in states that did their own exchange (39%)

FL Marketplace

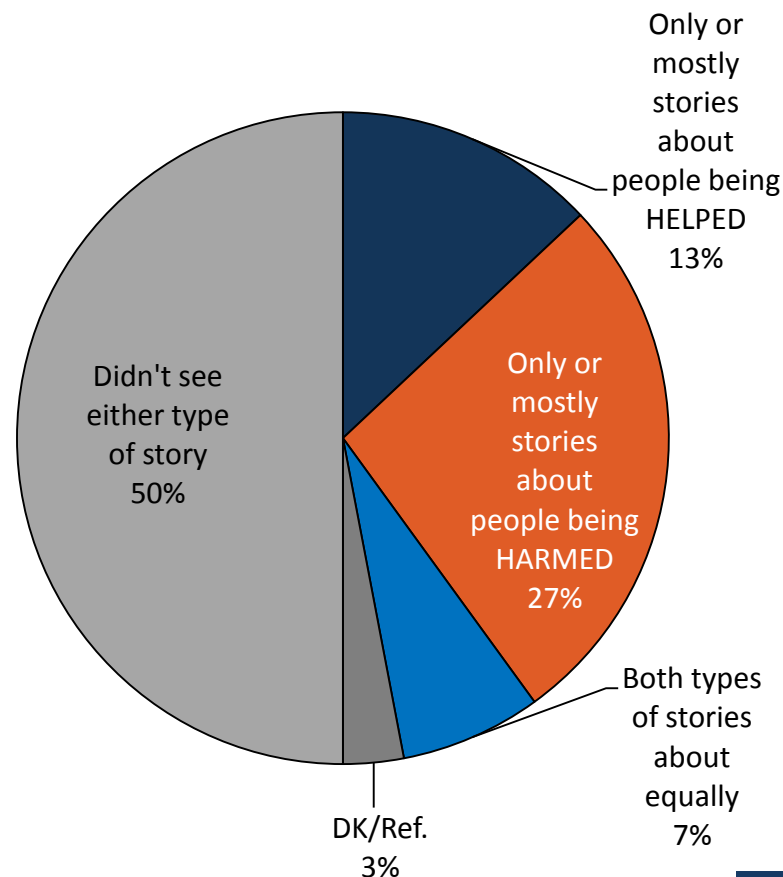


Public Reports Seeing More News Stories About People Being Harmed By Health Care Law Than Helped

In the past 30 days, percent who say they saw or heard any stories in the news about...

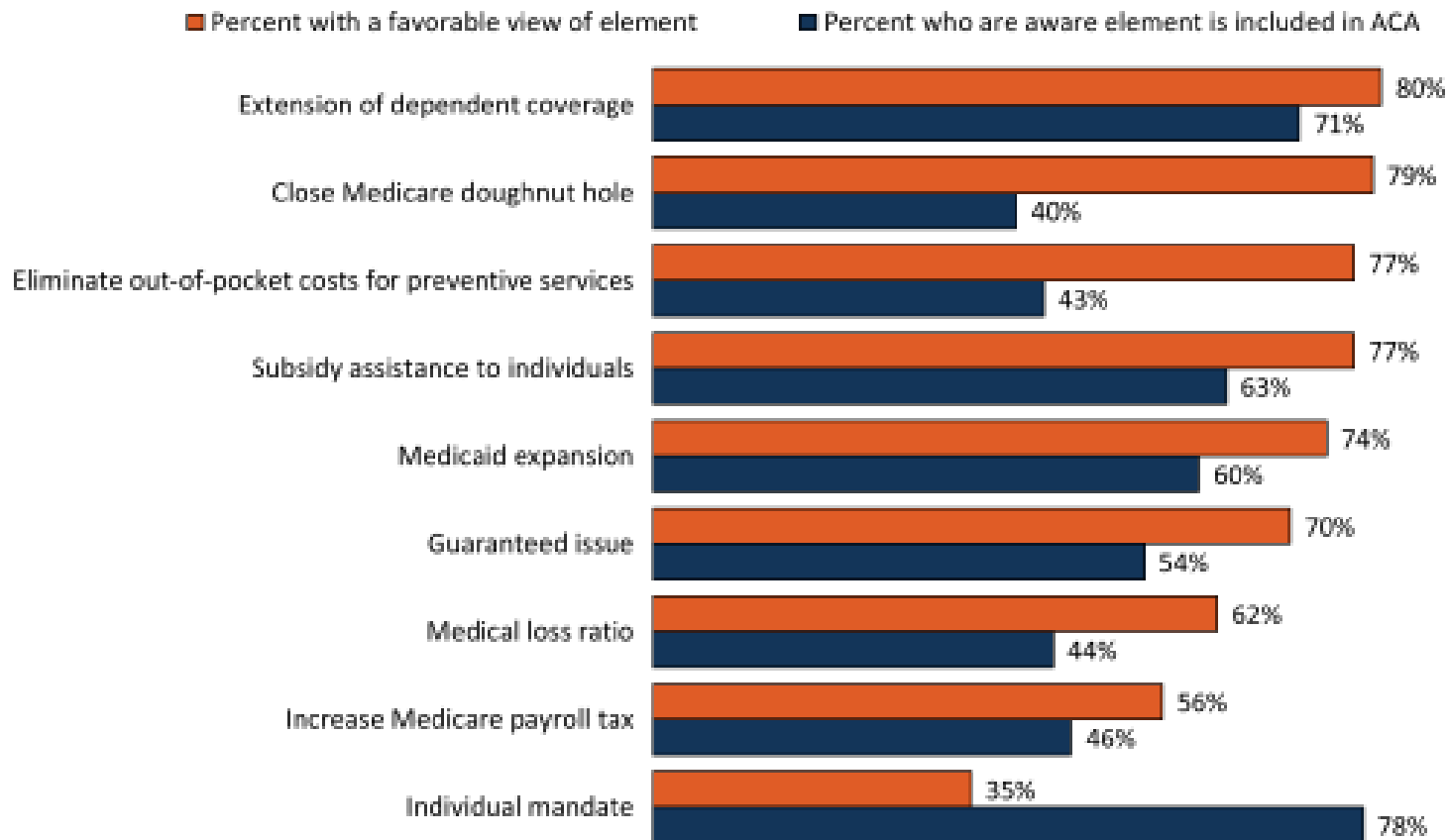


When those who say they saw both types of stories are asked which type they saw more of, percent of the total public who say they saw:




For Most ACA Provisions, Awareness Lags Behind Favorability (Individual Mandate Is Exception)

Percent who say they have a favorable opinion of each of the following and percent who say they are aware each is included in the health reform law:



NOTE: Items asked of separate half samples. Response wording abbreviated. See topline for complete wording.

SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted March 11-17, 2014)



THE GOVERNMENT
CAN'T MAKE ME
BUY HEALTH
INSURANCE...

Yet government
does “*tax*”
workers to fund
Medicare!

AND mandates
hospitals to
care for life
threatening
emergencies!

THE GOVERNMENT
CAN'T MAKE ME
BUY HEALTH
INSURANCE...

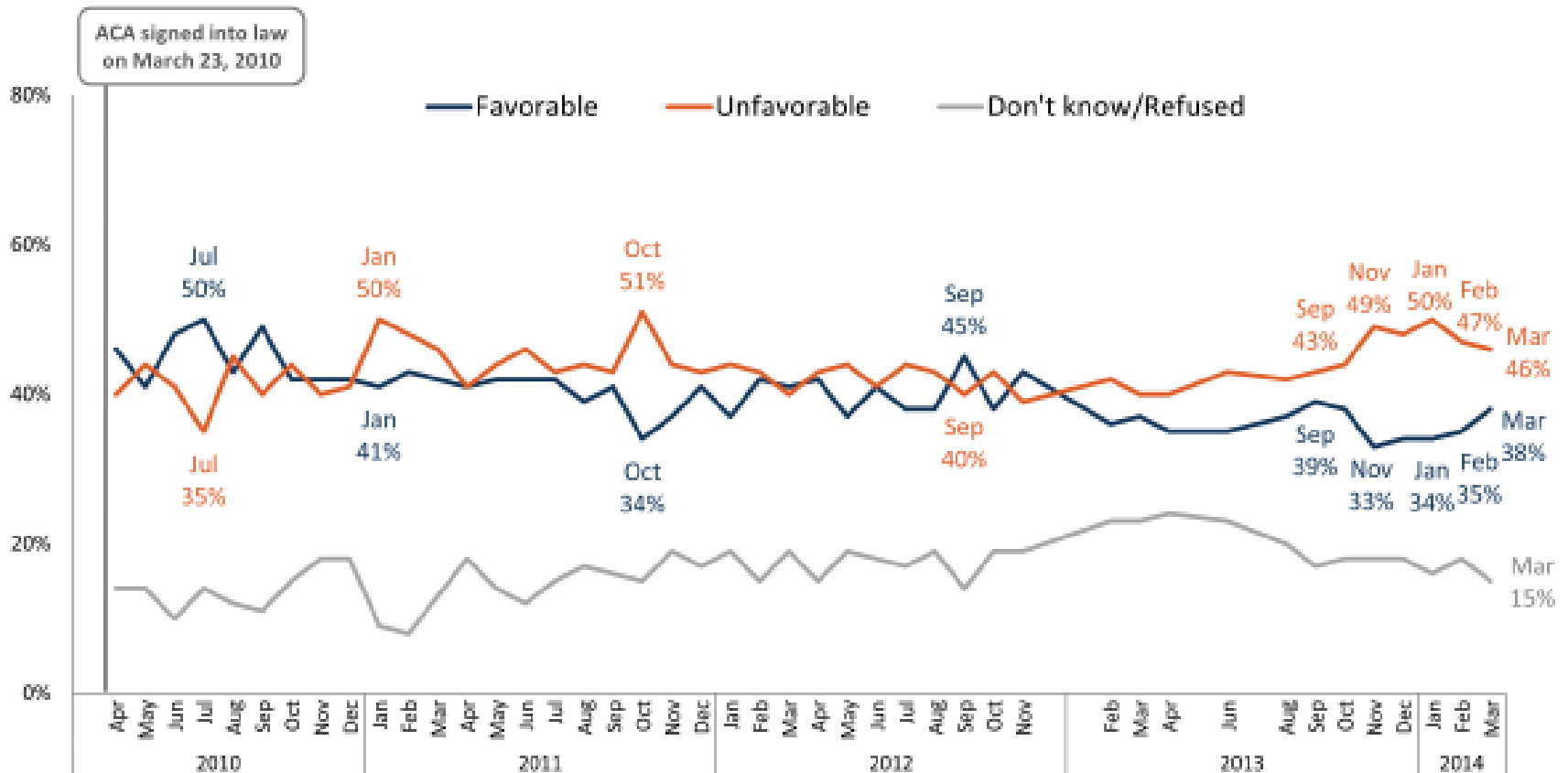
...AND WHY
WOULD I WHEN
I CAN JUST GO
HERE AND YOU'LL
PAY FOR IT?

EMERGENCY
ROOM



ACA Opinion Still Tilts Negative, But Narrowing Since January

As you may know, a health reform bill was signed into law in 2010. Given what you know about the health reform law, do you have a generally favorable or generally unfavorable opinion of it?

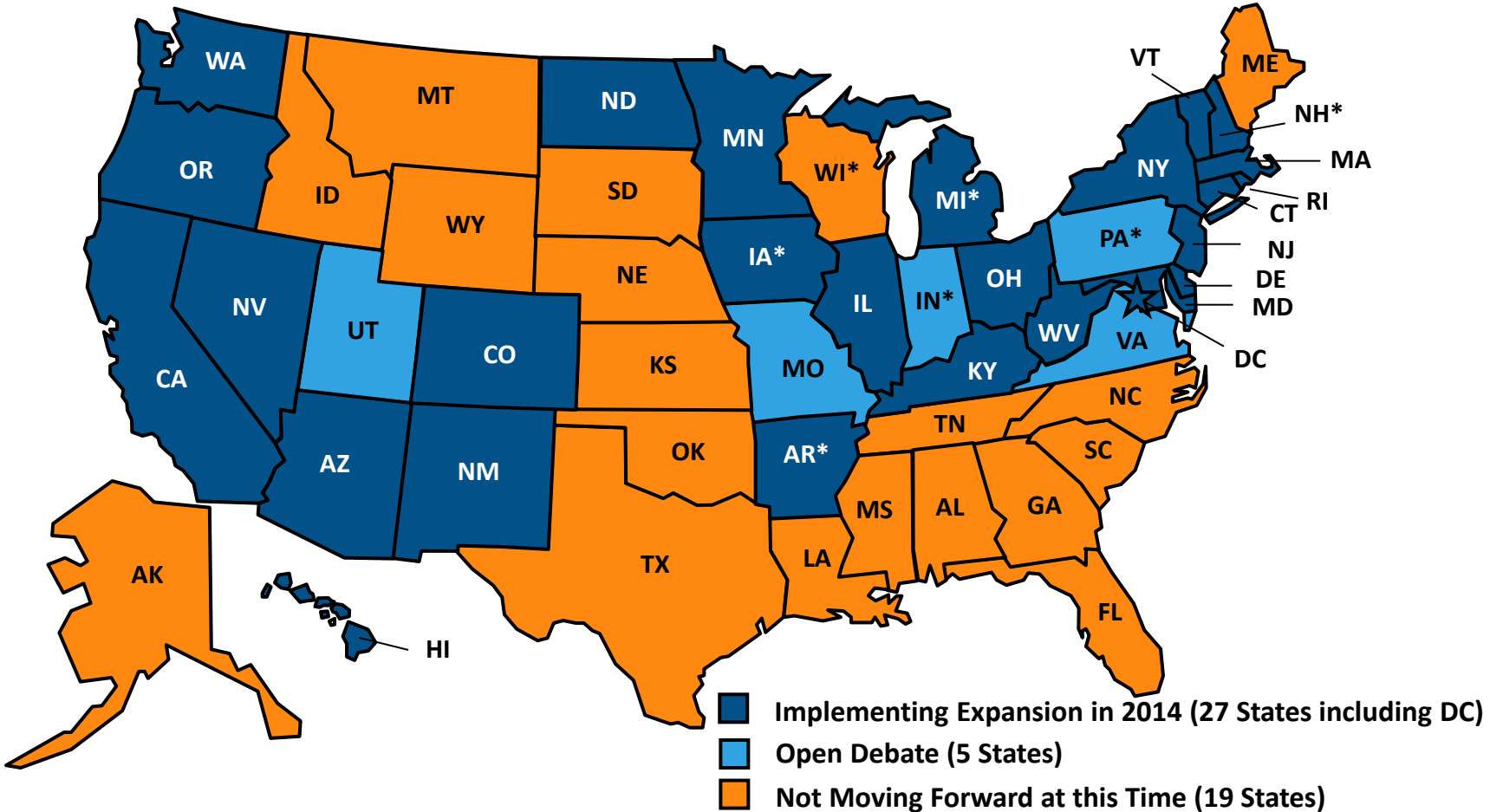


SOURCE: Kaiser Family Foundation Health Tracking Polls

Medicaid

- ❑ Expand eligibility to all with income less than 133% FPL
- ❑ States receive 100% federal funding for this through 2016, 95% in 2017, 94% in 2018, 93% in 2019, and 90% after that
- ❑ Increases in Children's Health insurance Program (CHIP)
- ❑ Florida Republicans refused this (\$51 billion)

Current Status of State Medicaid Expansion Decisions, 2014



NOTES: Data are as of March 26, 2014. *AR and IA have approved waivers for Medicaid expansion. MI has an approved waiver for expansion and plans to implement in Apr. 2014. IN and PA have pending waivers for alternative Medicaid expansions. WI amended its Medicaid state plan and existing waiver to cover adults up to 100% FPL, but did not adopt the expansion. NH has passed legislation approving the Medicaid expansion in Mar. 2014; the legislation calls for the expansion to begin July 2014.

SOURCES: States implementing in 2014 and not moving forward at this time are based on data from CMS [here](#). States noted as “Open Debate” are based on KCMU analysis of State of the State Addresses, recent public statements made by the Governor, issuance of waiver proposals or passage of a Medicaid expansion bill in at least one chamber of the legislature.

Elephant in the Room - LTC

- CLASS –
 - A national LTC insurance program
 - Was dropped because it couldn't pay for itself
- Private LTC insurance disappearing
- Annual NH cost exceeds \$100,000
- Money Follows the Person Program
 - Extremely successful in expanding community care
 - FL Republicans refused money (\$35 million)

Unknowns

- Final percent of young people signing up
 - Latest figure is 35% under age 35
- Percent not paying their first premium
 - Latest figure is 10-15%
- Spread of types of packages chosen
 - Lots of bronze level not as good
- Effect of states not expanding Medicaid
 - People caught between eligibility for subsidy and Medicaid

ED OPPOSED REFORM.



HE WAS OK WITH U.S.
HEALTH CARE JUST
AS IT WAS.



DON'T CUT US, CUT THEM!

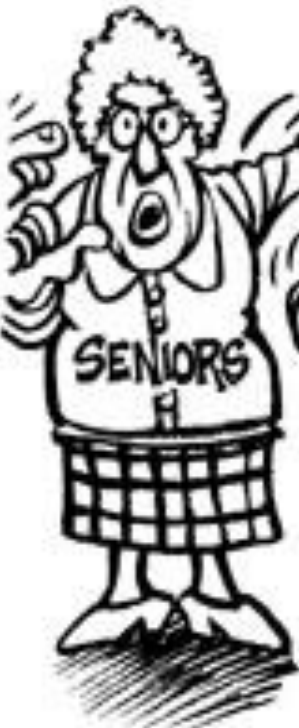
DON'T TAX US, TAX THEM!

DON'T MANDATE US, MANDATE THEM!

DON'T FINE US, FINE THEM!

DON'T CAP US, CAP THEM!

DON'T TAX US, TAX THEM!



GOOD NEWS... WE'RE SEEING A GROWING CONSENSUS IN POSITIONS ON THE HEALTH CARE DEBATE!

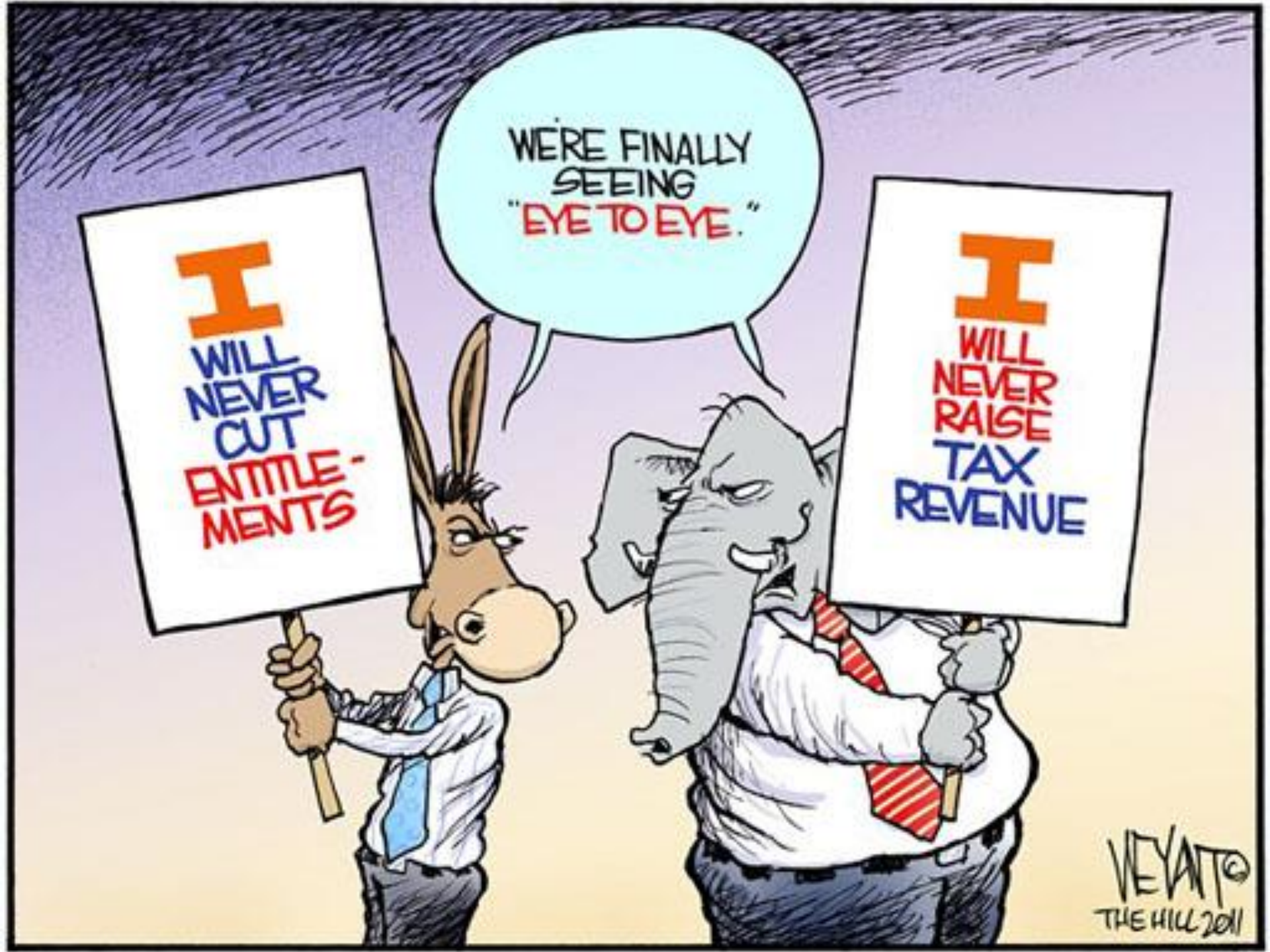
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WE'RE FINALLY SEEING "EYE TO EYE."

I
WILL NEVER CUT ENTITLEMENTS

I
WILL NEVER RAISE TAX REVENUE

VEYATTO
THE HILL 2011



What's Been Missing in Health Reform Debates?

A clear understanding that:

- Medicare is going bankrupt
- Rapid demise of employer-sponsored health insurance
 - Fueled by massive and growing hidden tax
 - No alternative designed to replace it
- Our social and legal mores result in:
 - **Virtually everyone having access to care in the most expensive setting: emergency rooms ... *after* delaying care**
- Scare tactics are not offering solutions

Winston Churchill



*“You can always count on
Americans to do the right thing*

*... after they’ve tried
everything else.”*