



Health Reform Implementation

Overview and Key Considerations for Hepatitis

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Outline

- **Health Reform Overview**
 - **Expansion of Health Care Coverage**
 - **Expansion of and Changes to Health Benefits**
 - **Key Public Health Provisions**
 - **New Mechanisms for Service Delivery**
- **Legal Challenges to the Affordable Care Act**
- **Major Threats to Public Health Funding and ACA Programs**
- **Opportunities and Challenges in Hepatitis Service Delivery Post Health Reform**
- **Action Steps to Prepare for and Engage in Health Reform Implementation**

Health Reform Overview

Major Provisions of the Affordable Care Act (ACA)

- 1. Expansion of Health Care Coverage*
- 2. Expansion of and Changes to Health Benefits*
- 3. Key Public Health Provisions*
- 4. New Mechanisms for Service Delivery*

Health Reform Overview: Expansion of Health Care Coverage

- *Key Insurance Market Reforms*
- *Health Insurance Exchanges*
- *Medicaid Expansion*

Key Insurance Market Reforms

- **New Rules for Insurers: Effective 2010**

- Dependent coverage to age 26
- Rescissions barred except in cases of intentional fraud
- Lifetime caps barred and annual limits regulated
- No pre-existing condition exclusions for children <19
- Premium rate reviews to identify unreasonable rate increases
- Preventive benefits with no cost-sharing

Note: some of these market reforms do not apply to “grandfathered” health plans

- **New Rules for Insurers: Effective 2014**

- No denial based on pre-existing conditions
- Caps on annual out-of-pocket spending
- Prohibition against discrimination against providers, individuals, employers
- Individual and small group rating reforms (limits premium variation)
- Guaranteed issue and renewability
- No eligibility discrimination based on health status
- Coverage of routine costs in approved clinical trials
- Group plan waiting periods limited to 90 days

Health Insurance Exchanges: Private Coverage Expansion

- A mechanism for individuals and small employers to purchase affordable health insurance
- By 2014, each state must create an Exchange
- Plans in the Exchange (“qualified health plans”) must offer the “essential health benefit” package
- Plans are subject to ACA insurance market reforms

Individual Responsibility

- Beginning January 1, 2014, most individuals required to have coverage or pay fee
- People living between 133% and 400% FPL receive tax credits and cost sharing assistance when insurance purchased through the health insurance Exchange

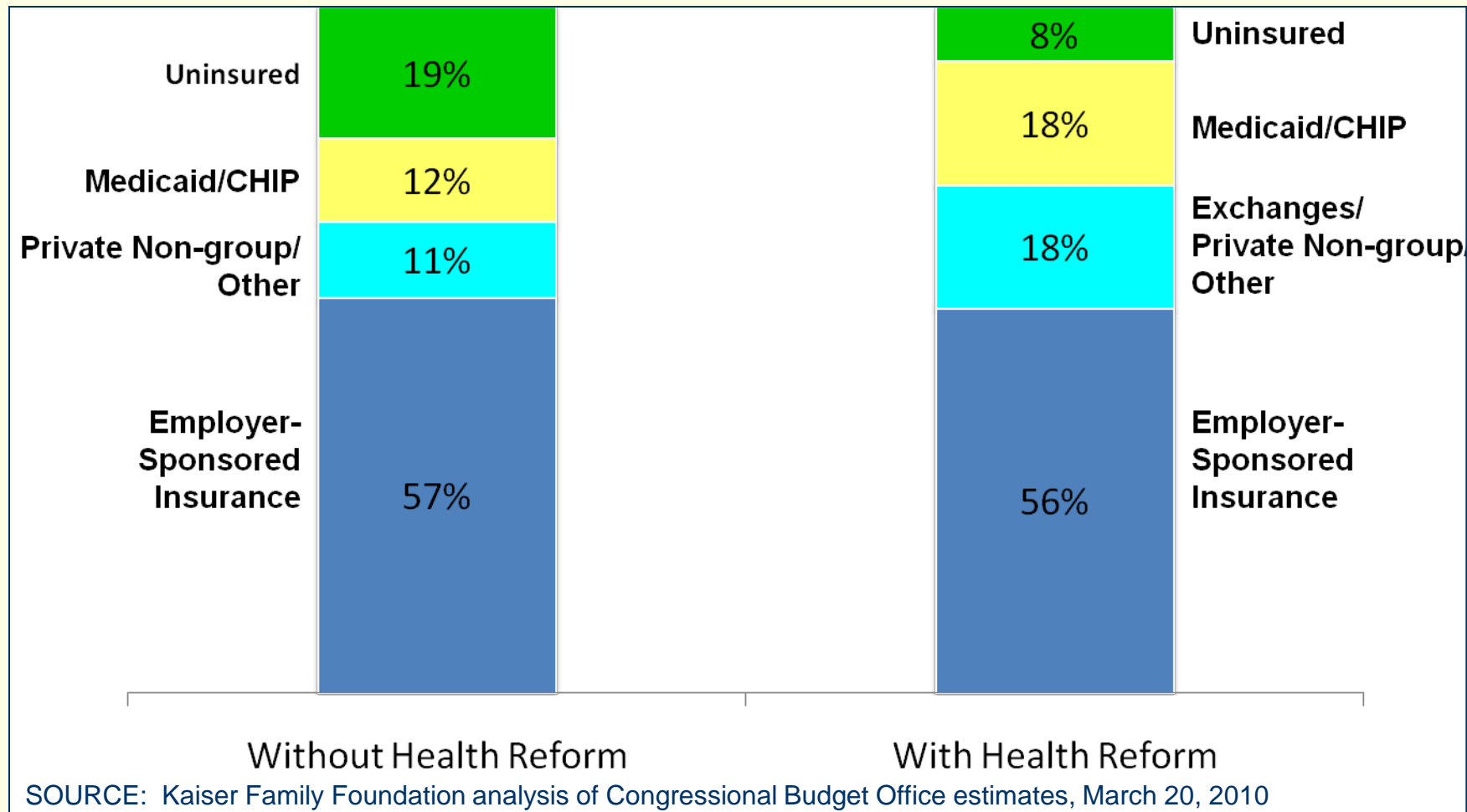
Employer Responsibility

- No mandate to provide insurance but assessment on employers that do not offer coverage but have one or more employees receiving premium assistance through an Exchange.

Medicaid Expansion

- Beginning in 2014, states required to provide Medicaid coverage to individuals under 65 with incomes up to 133% FPL (\$14,404 for an individual and \$29,327 for a family of 4 in 2009).
- An estimated 16 million uninsured will become eligible for Medicaid in 2014.
- New Medicaid enrollees who qualify for Medicaid under the expansion are entitled to “benchmark” or “benchmark-equivalent” coverage (which must include the essential health benefits available through the Exchanges.)

Once fully implemented, health reform will result in health insurance coverage for about 92% of individuals:



Health Reform Overview: Expansion of and Changes to Health Benefits

- *Coverage of Preventive Services*
- *Essential Health Benefit Coverage*
- *Additional Medicaid Benefit Coverage*

Coverage of Preventive Services

- ACA requires new health plans to cover *without cost-sharing*:
 - (1) Evidence-based items or services rated A or B by the USPSTF**
 - (2) ACIP-recommended immunizations**
 - (3) Preventive care for infants, children, and adolescents recommended by HRSA, and additional preventive care and screenings for women recommended by HRSA.**

Coverage of Preventive Services

(1) The USPSTF

- strongly recommends screening for hepatitis B virus (HBV) infection in pregnant women at their first prenatal visit.
- recommends *against* routinely screening the general asymptomatic population for chronic hepatitis B virus infection.
- recommends *against* routine screening for hepatitis C virus (HCV) infection in asymptomatic adults who are not at increased risk (general population) for infection.
- found insufficient evidence to recommend for or against routine screening for HCV infection in adults at high risk for infection.

Coverage of Preventive Services

USPSTF (cont):

- recommends high-intensity behavioral counseling to prevent sexually transmitted infections (STIs) for all sexually active adolescents and for adults at increased risk for STIs.
- concludes that the current evidence is insufficient to assess the balance of benefits and harms of behavioral counseling to prevent STIs in non-sexually-active adolescents and in adults not at increased risk for STIs.

Coverage of Preventive Services

(2) ACIP Recommendations re Hepatitis:

Hepatitis A

- Children
 - All children at age 1 year, older children residing in areas with existing hepatitis A vaccination programs, children at increased risk of infection, children for whom protection against hepatitis A virus (HAV) is desired
- Persons at increased risk for HAV due to behavioral, occupational or medical factors; travelers to countries with high or intermediate rates of HAV, household members and close contacts of adopted children newly arriving from countries with high or intermediate rates of HAV, adults seeking protection from HAV

Hepatitis B

- Children
 - Universal infant vaccination from birth, children not previously vaccinated
- Persons at increased risk for hepatitis B virus (HBV) due to behavioral, occupational, or medical factors; household and sexual contacts of persons with chronic HBV infection, clients and staff of institutions for persons with developmental disabilities, international travelers to countries with high or intermediate HBV infection rates, adults seeking protection from HBV

Coverage of Preventive Services

(3) HRSA Recommended Preventive Services for Women:

- Annual STD counseling for sexually active women

Essential Health Benefit Coverage

- All new health plans (including health plans offered through the Exchange) must include the essential health benefit
- Coverage under the Medicaid Expansion will also include the essential health benefit

Essential Health Benefit Coverage

- 10 broad categories of coverage in ACA:
 - **Ambulatory patient services**
 - Emergency services
 - Hospitalization
 - Maternity & newborn care
 - Mental health and substance use disorder services including behavioral health treatment
 - **Prescription drugs**
 - Rehabilitative and habilitative services and devices
 - **Laboratory services**
 - **Prevention and wellness services and chronic disease management**
 - Pediatric services including oral and vision care

Additional Medicaid Benefit Coverage

- ACA expands the scope of “optional” preventive services under “traditional” Medicaid to include any clinical preventive services that are assigned a grade of A or B by the USPSTF. (Effective January 1, 2013)
 - Additional 1% increase in FMAP percentage for any USPSTF A or B recommended preventive service provided, so long as the state does not impose any beneficiary cost-sharing

Health Reform Overview: Key Public Health Provisions

- *Prevention and Public Health Fund*
- *Community Transformation Grants*

Prevention and Public Health Fund

- \$15 billion mandatory appropriation over 10 years (\$2 billion a year beginning in FY 2015)
- Can fund any program authorized by the Public Health Service Act
- So far, the PPHF has been used to strengthen the health and public health workforce; expand existing Public Health Service Act programs; bolster public health infrastructure through grants to states; and create and maintain new health promotion programs

Community Transformation Grants

- New grant program for community prevention: supports communities in creating comprehensive change in the factors that affect people's health across multiple environments.
- In September 2011, HHS announced \$103 million in planning and implementation grants to 61 states and communities.
- Focus is on obesity, nutrition, tobacco; but some may include increasing access to broader set of clinical services.

Health Reform Overview: New Mechanisms for Service Delivery

- *Community Health Center Expansion*
- *Essential Community Providers*
- *Accountable Care Organizations*
- *Medicaid Health Homes*
- *Center for Medicare and Medicaid Innovation*

Community Health Center Expansion

- ACA provides an additional \$11 billion over five years for community health centers
- Community health centers will fill an ongoing safety-net role and will continue to be a major source of care for Medicaid enrollees and the uninsured
- Served approximately 19 million people in 2008; projected to serve 50 million in 2019, including over 10 million of the “residual uninsured.”

Essential Community Providers

- Health plans that participate in exchanges will be required to include in their networks “essential community providers, where available, that serve predominately low-income, medically-underserved individuals.”
- HHS is still seeking comment on how to define this category, as well as how to assess whether a network has sufficient numbers of essential community providers, or of other providers.

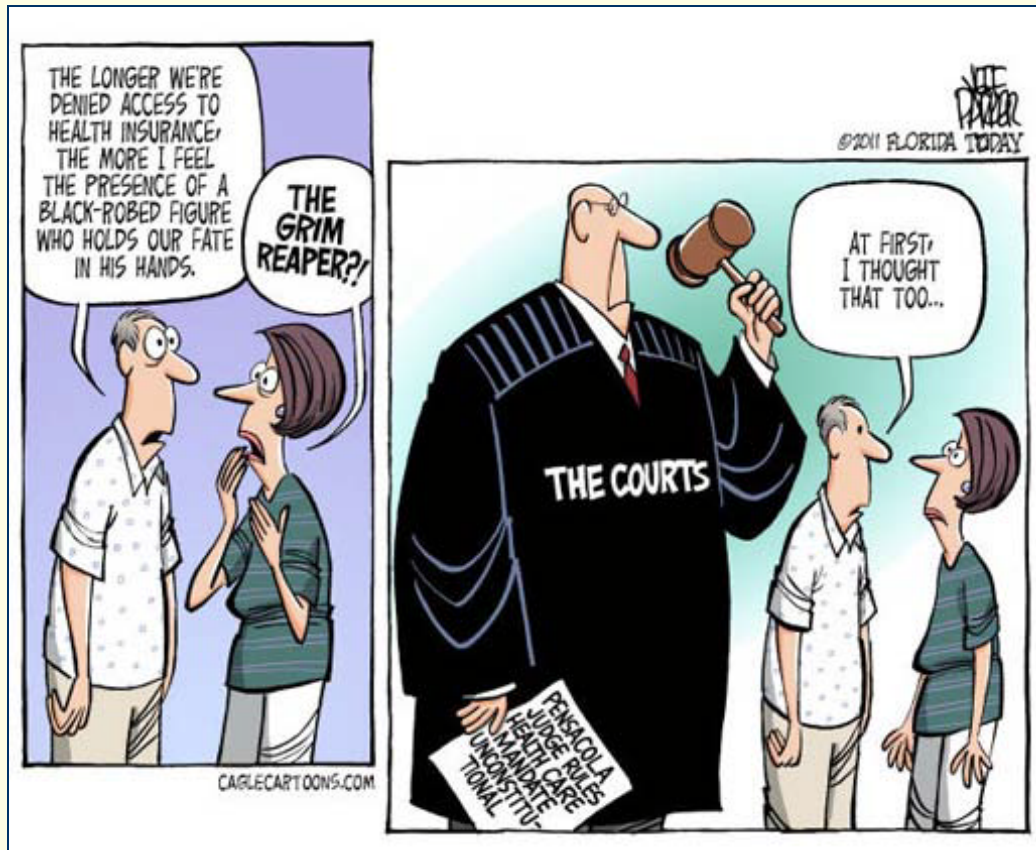
Payment and Service Delivery Reforms

- **Accountable Care Organizations (effective 1/1/12):**
 - New model of care in which groups of primary care providers work together to coordinate patient care and reduce costs while offering high-quality care to Medicare beneficiaries.
- **Medicaid Health Homes (effective 1/1/12):**
 - ACA gives states the option to create “health home” models in which a designated provider or team of health professionals will provide coordinated care to individuals with one or more chronic conditions.
- **Center for Medicare and Medicaid Innovation (CMI):**
 - CMI will review and fund novel approaches to service delivery and payment. As part of this research, CMI will test community and population health models that improve public health and make communities healthier and stronger.

Pending Questions about Health Reform

1. What is the likely impact of legal challenges to the *Affordable Care Act*?
2. Is Congress likely to repeal/defund health reform?
3. How will Hepatitis service delivery change as a result of health reform?
4. What action steps can people take to prepare for and engage in health reform implementation?

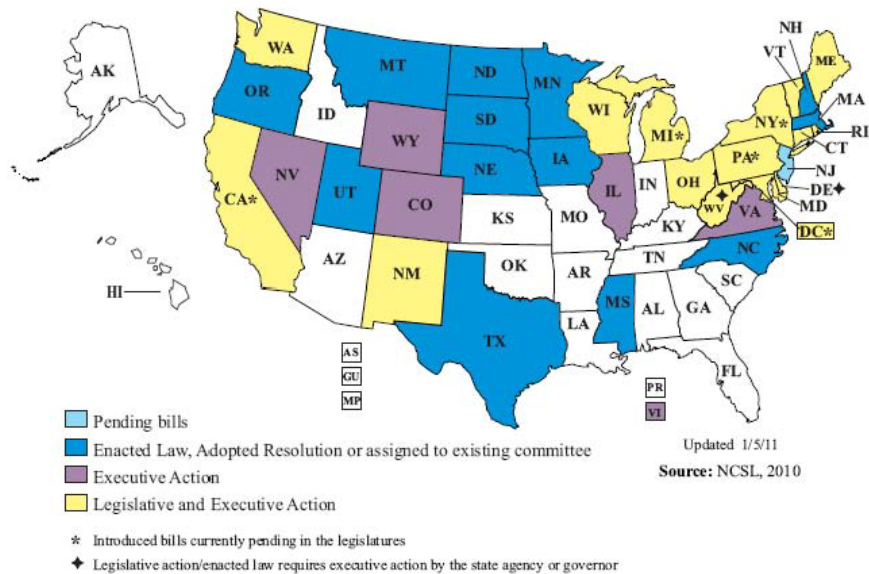
1. What is the likely impact of legal challenges to the *Affordable Care Act*?



- More than 20 separate legal challenges to the ACA have been filed in federal district court, involving 27 states
- The U.S. Department of Justice has asked the Supreme Court for speedy consideration - arguments and hearing expected before 2012 election.

However, despite opposition and legal challenges, most states have begun to implement health reform:

2010 State Actions Implementing Health Reform



2010 State Actions to Implement Federal Health Reform. National Conference of State Legislatures. January 5, 2011. <http://www.ncsl.org/?tabid=20231>

Figure 2. 2010 and 2011 Exchange Grant Awards



2. Is Congress likely to repeal/defund health reform?



- State and local budget cuts
- Federal-level threats to health programs:
 - Deficit Debate
 - Proposals to scale back Medicaid
 - Demands for sharp cuts in discretionary programs

3. How will Hepatitis Service Delivery Change as a Result of Health Reform?

Opportunities: Better Coverage of Key Services and Integration into Primary Care System:

- Coverage of preventive services
- Coverage of essential health benefits
- Essential community providers
- Medicaid health homes
- Community health center expansion
- Prevention and Public Health Fund
- Community Transformation Grants

Challenges: Potential Changes in Hepatitis and Public Health Service Delivery Needed to Take Advantage of Health Reform Opportunities:

- Billing capacity
- Health IT infrastructure
- Referral systems
- Workforce training
- Maintaining safety net capacity

4. What action steps can Hepatitis field staff take to prepare for and engage in health reform implementation?

- Strategic planning
- Relationship Building:
 - Other components within health department
 - State Medicaid programs
 - Other state agencies (education, etc)
 - Community health centers and provider organizations
 - State insurance commissions
 - Exchange implementing agency and planning councils
 - CTG grantees (if not already part of the consortium)
- Policy tracking

Uncertainty Does not Justify Inaction

- There are unknowns around ACA's fate and uncertainty about implementation in the current political climate...
- But despite uncertainty, hepatitis providers and health departments can still take action! The steps – *building relationships, integrating into primary care, strategic planning*– can and should happen anyway.
- In this new era, health departments have to experiment with new ways of partnering and working to meet public health goals

Thank You!

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