Affordable Care Act

What is the impact on People with Disabilities?

Kim Musheno
Association of University Centers on Disabilities
Public Law 111-14 – Historic Legislation

Patient Protection and Affordable Health Care Act and the Health Care and Education Reconciliation Act

Signed into LAW on March 23, 2010
• Expands coverage and access

• Transforms focus from treating sickness to preventing illness and promoting wellness

• Strengthens protections for people with disabilities who have been discriminated based on pre-existing conditions or health status

• Goal to achieve health equity and reducing health disparities

• Bending the Cost Curve over time
Insurance Market Reforms

Since September 23, 2010

- Bars preexisting condition (including disability) exclusions for children under 19 (everyone by 2014)
  - Study: 129 million have preexisting conditions
  - No coverage exclusions for specific conditions
  - No higher premiums or fees for such conditions
- Prohibits coverage rescissions
- Prohibits lifetime limits on coverage
  - Prohibits annual limits (2014)
Insurance Market Reforms

• “Guaranteed issue and renewability” – Insurance companies must not deny anyone!

• “Medical loss ratio” means 80-85% of premiums must be spent on medical care, not on advertising or CEO paychecks! Or you get money back! Starts now!

• On Dec. 21, new proposed regulations require insurers to justify any unreasonable rate increases beginning now!
Individual Responsibility is shared responsibility (2014)

Everyone must share responsibility for lowering costs and covering more people.
Expanding Coverage

Pre-Existing Condition Insurance Plan began in July 2010

• Citizens with pre-existing conditions who were uninsured for at least 6 months prior to applying for coverage in the pool

• Pool operated by HHS or states (18 states have deferred to HHS)

Extends dependent coverage up to age 26 for those not otherwise covered (as of Sept. 23, 2010)
Expand Coverage: Medicaid

**Efficient**
- Expands Medicaid eligibility for everyone up to 133% of Federal Poverty Level (2014)
  - Up to $14,600/individual
  - $29,400/family of four

**Cost-effective**
- Federal share of costs to states:
  - States will receive 100% for newly eligible first 3 years (2014 – 2016)
  - Phases down to 90% for 2020 and subsequent years

**Humane**
- Provides full funding for CHIP through 2015 and continues authority through 2019. Children on CHIP would be transitioned to Medicaid or into Exchange.
Exchange = Market

If you can’t get Medicaid

You can shop in the marketplace for insurance with government subsidies
Making Coverage Affordable

Subsidies for marketplace comes in form of **Tax Credits** provided for individuals/families between 133% - 400% Federal Poverty

- Approximately
  - Up to $43,000 individual
  - Up to $88,000 family of four

**HOW?**

- Paid by Government directly to Insurer
- Limits your out of pocket costs:
  - Deductibles,
  - Coinsurance,
  - Copayments
Services Everyone Expects to be Covered by their Insurance

- Hospitalization, emergency services, ambulance
- Prescription drugs and laboratory services
- Rehabilitative and habilitative services and devices
- Mental health and substance use disorder services including behavioral health treatment
- Maternity and newborn care
- Pediatric services including dental and vision care
- Preventative and wellness services and chronic disease management

Association of University Centers on Disabilities
Huge Focus on Prevention and Wellness

Requires **new** plans to cover certain preventive and immunization services without deductible or co-insurance (applies to Medicaid and Medicare)

One percent federal Medicaid share increase for States if it covers clinical preventive services

Grants to provide state incentives to Medicaid beneficiaries who successfully participate in a wellness program

$11 billion increase FY 2011 for Community Health Centers
Prevention and Wellness

• National Prevention Council

• Prevention and public Health Fund for transformational sustained investments
  – $7 billion (FY 2010-2015); $2 billion/yr (FY2015+)
  – $750 million would have been in this year’s funding bill….
  – Sen. Coburn “prevention and public health slush fund”

• Numerous Prevention and wellness programs such as:
  – Community Transformation Grants
  – Comprehensive workplace wellness programs
  – Education and Outreach Campaign
  – Oral health prevention
5 year grants authorized for incentives for beneficiaries for:

* Tobacco cessation, weight reduction and control, cholesterol reduction, blood pressure reduction, diabetes onset reduction or improved management of diabetes
* States can provide sub-grants/contracts to Medicaid providers, community based or faith-based organizations

Perfect for Healthy Delawareans with Disabilities project!

But…We will have to Advocate for the Money!
Community Transformation Grants
Subtitle C

Such sums to... Implement, evaluate and disseminate evidenced-based community programs to:
- prevent the development of secondary disabilities
- reduce chronic disease rates
- address health disparities

Plan activities must focus on 7 areas including individuals with disabilities

Eligible entities: state or local government agencies, national network of community based organizations; state or local non-profit organization – such as Healthy Delawareans

But... We will have to Advocate for the Money!
Increasing and Improving the Workforce

- National Health Care Workforce Commission established
- Oral Health: Grants for dental and dental hygiene schools, residency programs, public health programs
- Increases Medicaid reimbursement for primary care physicians and pediatricians to Medicare rates (2013 and 2014)
- Primary Care Training Grants for Medical Schools
  - training on treating individuals with disabilities priority population
Direct Support Workforce

$10 million authorized for training opportunities for **direct care workers** providing long term services and supports

$5 million to develop training and certification for **personal and home care aids**
Within 2 years…

Access Board (under the Rehab Act) to establish standards for accessibility of medical diagnostic equipment

Includes
- examination tables and chairs
- mammography equipment
- x-ray machines
Understanding Health Disparities: Data Collection

- Requires government to collect **health survey data from people with disabilities** to enable better understanding of the health of people with disabilities compared to other minority groups (disparities).

- HHS must **survey health providers** to assess access to care and treatment for people with disabilities.

- Requires development of recommendations for **quality measures** to improve the quality of health care for individuals with disabilities.
Long Term Services

- Multiple provisions related to improving Long Term Services and Supports for people with disabilities of all ages
- Increase independence, choice, and the ability to receive services in the community
- Potential to reduce Medicaid costs and save states money over time
### New State Incentives for Community Living

<table>
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<tr>
<th>Community First Choice State Option</th>
<th>Reforms 1915(i) State Option</th>
<th>Grants to assist states to balance their Medicaid systems in favor of community</th>
<th>Extends Money Follows the Person grants</th>
<th>CLASS Act – Community Living Assistance, Services and Supports Act</th>
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<tr>
<td>• new Medicaid state plan option (beginning Oct. 2011) to provide comprehensive home and community-based attendant services and supports for individuals who are eligible for an institutional level of care</td>
<td>• Allows states to provide HCBS services without a waiver</td>
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Challenges to Health Reform

Legal Challenges

Congressional Challenges
RE-PEEL

OBAMACARE

THIS'LL BE TRICKY!
Congressional Challenges

• 2010 Election results
  – Republicans won majority in House (242R-193D)
  – Republicans gain in Senate (53D-47R)
  – Tea Party candidates campaigned on repealing or defunding health care reform – craft “Pledge to America”

• Incoming Speaker John Boehner:
  “Listen, the American people are concerned about the government takeover of health care. I think it's important for us to lay the groundwork before we begin to repeal this monstrosity and replace it with common sense reforms that will bring down the cost of health insurance in America”

• Vote may take place today!

• Already robbed prevention and health provisions in 2010 funding bill
Cost of Repeal to Delaware

- Add a trillion dollars to the Federal deficit
- **2,340 young adults Delawareans would lose their insurance coverage** through their parents’ health plans
- **510,000 residents vulnerable again to having lifetime limits**
- **29,000 Delaware residents at risk of losing their insurance** because companies would once again be allowed cut off someone’s coverage unexpectedly when they are in an accident or become sick because of a simple mistake on an application.
Cost of repeal to Delaware

– New insurance plans would no longer be required to cover recommended preventive services, like mammograms and flu shots, without cost sharing, nor would they have to guarantee enrollees the right to choose any available primary care provider in the network or see an OB-GYN without a referral.

– 140,000 seniors in Delaware who have Medicare coverage would be forced to pay a co-pay to receive important preventive services, like mammograms and colonoscopies.

– Medicare would no longer pay for an annual check-up visit, so 140,000 seniors in Delaware who have Medicare coverage

Need your help educating Members of Congress!
State Preparation and Planning

- Vision, Leadership, Commitment, and Willingness to take risks

- Medicaid Eligibility Rules
- Modify Insurance Regulations
- Insurance Exchanges
- Long Term Care Options
- Grant Opportunities

Vision, Leadership, Commitment, and Willingness to take risks
Consumers, advocates and professionals should all be ENGAGED.

What you can do:

- Volunteer your expertise on state and federal advisory boards and commissions related to implementation.
- Coordinate with partners and engage in public discussions.
- Learn from other states – consortium for support
  - National Academy for State Health Policy
  - National Association of Insurance Commissioners
    - [http://www.naic.org/index_health_reform_section.htm](http://www.naic.org/index_health_reform_section.htm)
  - National Association of State Medicaid Directors.
Resources

US Dept. of Health and Human Services: http://www.healthcare.gov/

AUCD Health Reform HUB: http://www.aucd.org/health reformhub
- Text of the law
- Detailed summaries and analyses
- Implementation resources
- Archived webinars on 4 topics

Kaiser Family Foundation: http://www.kff.org/