Health Care Reform:
Understanding the Affordable Care Act
What’s really in the new law?

Presented by:
Michigan Consumers for Healthcare

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Michigan Consumers for Healthcare

- Working collaboratively with a diverse alliance of consumers, partners and policymakers to attain affordable, accessible, quality healthcare for all Michiganders

- Foundation funded and non-partisan.

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Consumer Input Key to Meeting Consumer Needs

- Bringing the consumer voice to health care reform in Michigan.
- Partnering with policymakers and a diverse coalition.
- Education, outreach and advocacy.

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We have the best healthcare in the world! Right?

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U.S. Spending on Healthcare Each Year

Spending per capita/per year on health care

- U.S. $8,000
- Norway $5,000
- Canada $4,000
- U.K. $3,000
- Japan $2,700
What do we get out of our investment?
Is this the best we can do?

30 other countries have lower infant mortality rates

The W.H.O ranks the U.S. 37th in the world behind countries like Cyprus & Malta

50.7 million Americans have no health insurance and no access to a family physician.

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Health care legislation is designed to:

• Reduce health care cost growth for families, employers and the government.
• Provide Americans access to affordable quality health coverage.
• Strengthen and protect Medicare and Medicaid.
• Modernize our health care delivery system.
• Promote healthy lifestyle choices
• Identify and address the critical health issues facing Americans such as eliminating the use of tobacco products
Here’s how...
The Affordable Care Act and Tobacco Cessation

The Affordable Care Act (ACA) has multiple provisions to address tobacco use and to encourage a healthy lifestyle.

The ACA also established the National Prevention, Health Promotion and Public Health Council commonly called “the council”
“The Council”

• America’s Surgeon General is seated as the Chairperson for the council
• Is joined by the Secretary of HHS and 11 other high ranking federal officials from a multitude of departments
• To develop a National Prevention and Health Promotion Strategy
Goals of the “Council”

• To “allow HHS to expand and sustain prevention, wellness and public health programs to improve the health of the nation and to restrain healthcare cost”

• Allows for the implementation of cost saving measures and prevention services within the ACA that focus on healthy life choices
• Other components of the Affordable Care Act (ACA) directly looks at the importance of tobacco cessation such as free annual wellness checks

• Annual wellness checks will screen for tobacco use as well as provide avenues for tobacco cessation if use is detected
The “Council’s” June 2012 Report

• National prevention strategies include a 50% match for a state’s cost of providing tobacco cessation services

• Work with all government agencies to reduce the use of tobacco products by staff including the Department of Defense as well as partner with HUD to create smoke-free public housing
• HHS will work with partners to implement the expanded smoking screening and cessation services covered under the ACA as well as encourage clinicians and healthcare facilities to record smoking status of patients 13 years old and older.
Task Force

• Section 4003 broadens the use of task forces to better coordinate critical healthcare information between health research entities, government agencies and promoting recommendations that will enhance the overall success of public health programs including tobacco cessation
Provisions within the ACA for Tobacco Cessation

- Tobacco cessation is outlined in several sections of the ACA
- Provides for cost elimination to patients of tobacco cessation services through Medicaid
- Provide for public campaigns to reduce tobacco usage
- Title IV – Prevention of Chronic Disease and Improving Public Health covers the establishment of the council as well as paves the way for creating a national wellness strategy
Provisions in the ACA

• Section 4002 establishes the Prevention and Public Health Fund. This investment is to in part, “invest in prevention and public health programs to improve health and help restrain the rate and growth in public and private sector healthcare cost ”

• Provide for funding for multiple programs for research, prevention and wellness programs etc.
Federal Appropriations

• Funding for the Prevention and Public Health Fund by fiscal years is:
  2010- $500,000,000
  2011- $750,000,000
  2012- $1,000,000,000
  2013- $1,250,000,000
  2014- $1,500,000,000
  2015 and forward $2,000,000,000
Allocation of the funds

- The funds are distributed through HHS for prevention, wellness and public health activities
- The Senate Appropriation Committee as well as the House of Representatives Appropriations Committee may also provide for the transfer of funds within the Fund to eligible activities
How ACA allocated funds are to be used

• To design programs that would effectively transform and enhance public health through community transformation grants, outreach campaigns and immunization

• Within one year after the passage of the ACA the Secretary of HHS shall implement a public campaign to address nutrition, exercise, smoking cessation, obesity and chronic disease screening
Section 4004- Prevention Campaign

• This section of the ACA directs the Secretary of HHS to establish and public-private partnership for a public health improvement educational campaign

• Goals of the campaign are to promote the use of preventative services, encourage healthy behaviors as well as describes the many public programs offered
Section 4107 of the ACA

- Section 4107 of the ACA directly addresses tobacco cessation for pregnant women in Medicaid
- “Requiring Coverage of Counseling and Pharmacotherapy for Cessation of Tobacco Use by Pregnant Women”
Section 4107 continued

• This section also amends the Social Security Act to expand definitions for diagnostic, therapy, counseling services and pharmacotherapy.

• The pharmacotherapy provision authorizes the coverage of prescription and nonprescription tobacco cessation products approved by the FDA.
Section 4107 continued

• Section 4107 paragraph (C) “Removal of Cost-Sharing for Counseling and Pharmacotherapy for Cessation of Tobacco Use by Pregnant Women- amends section 16 of the Social Security Act to add counseling and pharmacotherapy as covered benefits
Section 4108

• Section 4108 of the ACA outlines incentives for the prevention of chronic disease in Medicaid

• The goal in section 4108 is for the secretary to award grants to states to provide incentives for Medicaid recipients to adapt healthy lifestyle practices
Section 4108 continued

• These incentives are designed to entice participation in behavioral lifestyle changes that promote healthy living

• The initiatives within this section are to “test approaches” that uncover scalable solutions

• Grants for these programs started on January 2011
How this is to be implemented

• The Secretary will develop the program criteria for initiatives based on evidence based research and resources
• The Secretary will then award grants to states to carry out the initiatives outlined in the program developed by HHS
• A state receiving these grants are required to carry out the initiatives for no less than three years, up to five years
Program Design

• Each state will design their program to meet the criteria established by HHS
• The program will be comprehensive
• Evidence based
• Widely available
• Easily accessible
• Must be approved by the Secretary
• Designed to be “uniquely suited” to meet the needs of Medicaid beneficiaries
• Has been successful in helping individuals achieve positive results
• The program not only will address tobacco cessation but will address the other 4 main contributors to chronic diseases
Flexibility

• A state has the ability to enter into “public/private partnerships” with community based organizations, faith-based organizations, Indian Tribes or other entities to carry out the prescribed programs

• The Secretary will also help each state become aware of the available programs
State partnerships

• A state who is awarded these grants must establish an outreach program to inform Medicaid beneficiaries and providers participating in Medicaid about the availability of these programs

• Must track Medicaid beneficiary participation, validate changes in health risk and outcome through clinical data
Section 4201 Community Transformation Grants

• Section 4201 establishes a comprehensive relationship between HHS and the CDC to award competitive grants to:
  A) state and local governmental agencies
  B) community based organizations
  C) non-profit associations
  D) Indian Tribes
• The purpose of Community Transformation Grants are to engage organizations who have the ability/capacity to engage key stakeholders (including healthcare providers) to achieve the goal of transforming communities to achieve healthier lifestyles.
These Grants Must Address:

• How to promote healthy living and reduce health disparities
• The main focus of this grant work is to expand information about nutrition, physical activity, social and emotional wellness and tobacco cessation
Section 4202- Healthy Aging, Living Well

• Section 4202 addresses many of the same concerns as section 4201 with the exception that it addresses Medicare Beneficiaries who are between the age of 55-64

• Eligibility requires that the grant applicant is either a State Health Department, local Health Department, or an Indian Tribe
The Secretary shall establish pilot programs in up to 10 Community Health Centers funded under PHSA to evaluate the impact of providing at risk populations an individualized wellness plan that “is designed to reduce risk factors for preventable conditions as identified by a comprehensive risk factor assessment.”
Conclusion

• The Affordable Care Act address smoking cessation in multiple ways
• It is addressed through Medicaid and Medicare expanded benefits
• Smoking cessation is deemed a priority by HHS and the National Prevention Council
Conclusion

• Multiple funding mechanisms are put into place to address tobacco cessation as well as critical chronic health issues

• Grants are available for state agencies and local organizations to educate and promote chronic disease prevention and tobacco cessation
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