National Goals of Health Reform

- Increase access to care
- Improve health outcomes
- Lower costs to individuals
- Reduce total spending
- Improve quality of care
The Affordable Care Act (ACA)

- P.L. 111-148 as amended by P.L. 111-152

- 8 Major Components:
  - Private insurance reforms (includes Exchanges)
  - Medicaid reforms
  - Quality improvements
  - Prevention of chronic disease/public health
  - Strengthening health care workforce
  - Improve transparency and accountability
  - Improve access to medical technologies
  - Revenue provisions

Health Care & Housing Are Human Rights
Reduces Deficit by $73 Billion (2010-2019)

**Costs:**
- Subsidies/exchanges: $464B
- Medicaid expansion: $434B
- Employer tax credits: $40B
- **Total:** $938B

**Program Savings:**
- Less Medicare Advantage: $136B
- Adjust Medicare payments: $196B
- Reduce Medicaid drug costs: $38B
- Reduce DSH/hospitals: $36B
- Increase Medicare premiums for affluent: $36B
- **Total:** $441B

**Additional Revenues:**
- Medicare tax on high-income: $210B
- Health industry fees: $107B
- Penalties/ind. Mandate: $69B
- Excise tax on high-cost insurance plans: $32B
- Other revenue: $152B
- **Total:** $570B

$938B – ($441b + $570b) = -$73B

The Biggest Changes

1. State Exchanges
2. Medicaid expansion (optional)
3. Enrollment improvements (required)
4. Additional health center revenue
5. New demonstrations
6. Payment/delivery system changes
7. Focus on data, quality & outcomes
8. New insurance protections
9. New partnerships
10. Revitalized health care discussions

Health Care & Housing Are Human Rights
Current Status

- ~3 years since legislation signed into law; major provisions not active until January 1, 2014

- Administration: Full speed ahead, dozens of new rules and regulations, FAQs, and other materials coming online

- Congress: Focused on larger budget reductions, repeal of ACA still a Republican agenda item

- Judicial: Supreme Court upheld law, makes Medicaid expansion optional

- States: Where many decisions are being made now
Limited Public Awareness

- Enroll America findings (Jan 2013)
  - 78% of uninsured adults lack awareness of new coverage options — 83% of Medicaid expansion group
  - Sources of info: doctor, family, friend, state/federal health agency

- Kaiser findings (April 2013)
  - 42% unaware law is still active
  - 58% of uninsured don’t know how law will impact them
  - Sources of info: family/friends, newspapers, cable tv

- **TOP PRIORITY: OUTREACH & ENROLLMENT**
  - ……and engagement in services

Health Care & Housing Are Human Rights
Priorities for HCH Grantees

- Medicaid Expansion
- Health Center Expansion
- Workforce Expansion
- Care Delivery Models

Parameters of Law; Opportunities & Challenges

Health Care & Housing Are Human Rights
Medicaid Expansion: The Bus Pass

Bus Pass
December 2008

Health Care & Housing Are Human Rights
2011 Insurance Status: HCH v. All Health Centers v. U.S.

- None/Uninsured: 62% HCH, 36% All Health Centers, 16% U.S.
- Medicaid/other public: 42% HCH, 30% All Health Centers, 17% U.S.
- Medicare: 5% HCH, 8% All Health Centers, 12% U.S.
- Private Insurance: 3% HCH, 14% All Health Centers, 54% U.S.

Sources: 2011 UDS Data, HRSA; 2011 Census Data
Median Medicaid/CHIP Eligibility Thresholds, January 2012

Minimum Medicaid Eligibility under Health Reform - 133% FPL
($25,390 for a family of 3 in 2012)

SOURCE: Based on the results of a national survey conducted by the Kaiser Commission on Medicaid and the Uninsured and the Georgetown University Center for Children and Families, 2012.
ELIGIBILITY OPTION

- **63 million currently enrolled:** children, pregnant women, elderly, disabled, and some parents of children

- **15 million newly eligible (starting January 1, 2014):**
  Law gives states option to expand Medicaid to non-disabled adults earning ≤138% FPL
  - About $15,000/year for singles
  - About $25,500/year for family of 3

- **7.3 million currently eligible, un-enrolled:**
  - 4.4 million adults (67% take-up rate)
  - 2.9 million children (84% take-up rate)

- **85 million possible Medicaid enrollees**
  (1 in 4, assuming 100% take-up)
## Adult Medicaid Enrollment & Eligibility: NJ & NY

<table>
<thead>
<tr>
<th>Medicaid Eligibility</th>
<th>U.S.</th>
<th>NJ</th>
<th>NY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Current Medicaid &lt;138%</td>
<td>13 million</td>
<td>268,000</td>
<td>1.3 million</td>
</tr>
<tr>
<td>Total Eligible/Not Enrolled</td>
<td>4.4 million</td>
<td>42,000</td>
<td>641,000</td>
</tr>
<tr>
<td>Total Newly Eligible &lt;138%</td>
<td>15 million</td>
<td>307,000</td>
<td>170,000</td>
</tr>
</tbody>
</table>

Medicaid Expansion Financing

- **Expansion group only**: Higher federal match to states
  - 100%: 2014 through 2016
  - 95%: 2017
  - 94%: 2018
  - 93%: 2019
  - 90%: 2020 and thereafter

- **Current eligible groups**: Current federal match ("FMAP")

- **Supreme Court decision**: Made expansion to newly eligible population an option, rather than a mandate

- **Maintenance of Effort**: Law prohibits states from reducing eligibility or changing benefits until 2014
*Arkansas is proposing to use Medicaid funds to pay for premium assistance through exchanges, pending federal approval; Tennessee has reached out to the federal government to consider a similar approach.
CBO Projected Medicaid Enrollment (Non-elderly)

Outreach & Enrollment

Law **requires** states “establish procedures for outreach and enrollment activities to vulnerable & underserved populations” *(ACA § 2201)*

- Children
- **Unaccompanied homeless youth**
- Children and youth with special health care needs
- Pregnant women
- Racial and ethnic minorities
- Rural populations
- Victims of abuse or trauma
- Individuals with mental health or substance-related disorders
- Individuals with HIV/AIDS
Essential Health Benefits (EHB)

- 10 Categories are required:
  - Ambulatory services
  - Emergency services
  - Hospitalization
  - Maternity/newborn care
  - Mental health, substance use disorder & behavioral health treatment
  - Prescription drugs
  - Rehabilitative/habilitative services
  - Laboratory services
  - Preventive/wellness services
  - Pediatric services, to include oral and vision care
New Requirements for EHB

- No annual/lifetime limits on coverage

- No discrimination based on gender, age, disability, life expectancy, health status

- Behavioral health services must be in parity with medical services (Mental Health Parity and Addiction Equity Act)

- Apply to all private plans inside and outside Exchange and those newly Medicaid eligible
  - Does not apply to current Medicaid groups or private self-insured plans

- Scope, amount & duration of services not determined

- Gaps remain: dental, vision, case management, etc.
12 Reasons Why Medicaid Expansion is Critical

1. Improves access to care
2. Improves financial stability
3. Improves health status/reduces mortality
4. Patient satisfaction is high
5. Improves local and state economy
6. Maximizes federal funding
7. Reduces current state spending
8. Reduces ER & hospital utilization
9. Ensures healthier workforce
10. Helps low-income veterans
11. Helps children & families
12. Reduces health disparities
Income Changes For Those Starting <133% FPL

40% will have coverage disrupted in first 6 months

A Word on the State “Marketplaces”

- Exchanges are “shopping centers” for health insurance for individuals and small employers
- Must be implemented by January 1, 2014
- **Subsidies and credits, based on income (100%-400% FPL)**
- Focused on individual and small group markets
- Must contain insurance with “Essential Health Benefits”
- Anticipate covering 7 million in 2014
  - 24 million in 2016
## Subsidies for those 133-400% FPL

<table>
<thead>
<tr>
<th>Single Person FPL %</th>
<th>Annual Income</th>
<th>Maximum Premium (as a % of income)</th>
<th>Enrollee Monthly Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>133%</td>
<td>$14,483.70</td>
<td>3.0%</td>
<td>$36.21</td>
</tr>
<tr>
<td>150%</td>
<td>$16,335.00</td>
<td>4.0%</td>
<td>$54.45</td>
</tr>
<tr>
<td>200%</td>
<td>$21,780.00</td>
<td>6.3%</td>
<td>$114.35</td>
</tr>
<tr>
<td>250%</td>
<td>$27,225.00</td>
<td>8.05%</td>
<td>$182.63</td>
</tr>
<tr>
<td>300%</td>
<td>$32,670.00</td>
<td>9.5%</td>
<td>$258.64</td>
</tr>
<tr>
<td>350%</td>
<td>$38,115.00</td>
<td>9.5%</td>
<td>$301.74</td>
</tr>
<tr>
<td>400%</td>
<td>$43,560.00</td>
<td>9.5%</td>
<td>$344.85</td>
</tr>
</tbody>
</table>
## ACA Exchange Funds: NJ & NY

<table>
<thead>
<tr>
<th>Type of Award</th>
<th>U.S.</th>
<th>New Jersey</th>
<th>New York</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning grant</td>
<td>$44,137,908</td>
<td>$1,223,186</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Establishment grant</td>
<td>$3,638,213,533</td>
<td>$7,674,130</td>
<td>$340,568,564</td>
</tr>
<tr>
<td>Early Innovator grant</td>
<td>$138,122,850</td>
<td>N/A</td>
<td>$27,431,432</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,820,474,291</strong></td>
<td><strong>$8,897,316</strong></td>
<td><strong>$368,999,996</strong></td>
</tr>
</tbody>
</table>

**Source:** Kaiser Family Foundation, State Health Facts. Available at: [http://www.statehealthfacts.org/profileind.jsp?ind=964&cat=17&rgn=11](http://www.statehealthfacts.org/profileind.jsp?ind=964&cat=17&rgn=11)
Eligibility Between Two Systems

Medicaid
(0-138% FPL)

Exchange
(100%+)

Subsidies/credits:
100-400% FPL

100-138%
Enrollment Requirements: ALL STATES

- No wrong door (online, phone, mail, in person)
- Single, streamlined application
- Electronic verification of income & identity
  - No paper documentation
- No in-person interviews
- Use of modified adjusted gross income (MAGI)
- Enrollment assistance available
- Accommodations for disabilities and LEP
- Timely processing
- Coordinated Exchange, Medicaid & CHIP
- Automatic renewals every 12 months
Enrollment Assistance

- **Navigators**: Required, work through Exchanges, provide info, help with enrollment

- **In-Person Assisters/non-Navigator**: Optional, wider range of assistance (funding through planning grants); availability depends on type of exchange

- **Certified Assistance Counselor**: formalize existing positions, such as health center staff

- **Outstationed Eligibility Worker**: State Medicaid workers placed in FQHCs or hospitals

- **Informal Assistance**: Friends and family

Health Care & Housing Are Human Rights
REMEMBER:
The Affordable Care Act is a solid step in the right direction but...it does not establish a right to health care & does not establish universal coverage
Those Remaining Uninsured (U.S.)

Remaining Uninsured:
- 37%: Medicaid-eligible but un-enrolled
- 25%: Undocumented/ineligible immigrants

Those Exempt from the Mandate

- Religious conscience (member recognized religious sect)
- Health care sharing ministry
- **Individuals not lawfully present**
- **Incarcerated individuals**
- **Individuals who cannot afford coverage/hardships**
  - (>8% of household income)
- **Taxpayers with income below filing threshold**
- Members of Indian tribes
- Months during short coverage gaps
State Level Actions (Part I)

- Ensure states expand Medicaid
- Coordinate Medicaid, Exchanges and CHIP
- Ensure assertive, tailored outreach targeted to vulnerable
- Provide training to wide range of CBOs on enrollment
  - Both new and currently eligible
- Track enrollment by FPL
- Ensure application works well for vulnerable groups
- Oversee MCO protocols to ensure fairness, equity
- Raise reimbursement rates
- Design comprehensive plans, fill service gaps, provide for remaining uninsured
- Waive/remove out of pocket costs for newly eligible
Health Centers: The Bus

Health Care & Housing Are Human Rights
Health Center Expansion

- **$11 billion** in new funding over 5 years (in addition to annual funding) + creation of Trust Fund

- Funding for New Services and Locations: $9.5 billion total
  - FY2011: $1 billion (final: no increase)
  - FY2012: $1.2 billion (final: +$200M)
  - FY2013: $1.5 billion (final: +$185M)
  - FY2014: $2.2 billion (final: TBD)
  - FY2015: $3.6 billion (final: TBD)

- Funding for New Buildings: $1.5 billion total

HCHs get 8.7% of funding

Depends on Congressional decisions related to sequestration
Identify Key Service Needs

- Primary care
- Oral health
- Addictions
- Mental health
- Outreach
- Specialty care
- Housing (full continuum)
- Medical respite care
- Employment
- Transportation
Identify Key Relationships

- Local hospital
- Discharge planning sources
- Referral sources
- Jail administrators
- Political leaders
- Shelter and housing providers
- All health care providers
- Business community
- Emergency responders – police & fire
- Continuum of Care
- Local health officer/social services director
Match Resources to Needs

- Who provides the services in each area of identified need, and how will health care reform impact them?
- How will the state of the current economy impact any of these service providers?
- What are the greatest service gaps?
  - What is your role in filling them?
  - What collaborations/partnerships are possible?
- How are needs being communicated to state/county policymakers?
State Level Actions
Part II

- Maximize relationships between Medicaid directors and health centers (& other health providers)
- Link objectives and goals to larger community health initiatives
- Facilitate data availability and exchange
- Negotiate rates using broad range of factors
  - Social determinants of health
  - Health status
  - Quality outcomes
- Facilitate new partnerships where possible
Workforce: The Bus Driver

Health Care & Housing Are Human Rights
Workforce Development

- $1.5 billion for National Health Service Corps (over 5 years)
  - Scholarships, loan repayments
  - Primary care physicians, family nurse practitioners, certified nurse midwives, physician assistants, dentists, dental hygienists, and certain mental health clinicians
  - Also impacted by budget cuts (FY13 = $285M)

- Health Center-based residency programs (e.g., “teaching health centers”)

- Increases to Medicaid provider payments:
  - 2013-2014, raise to Medicare rate level
Workforce Challenges

- **7,200 new primary care providers needed** (2.5% of the current supply)
  - Geographic disparities in level of disruption
  - 44 million (14%) live in areas where 5%+ increase in demand
  - 7 million (2%) live in areas where 10%+ increase in demand

  Source: Huang and Finegold. (March 2013.) Seven Million Americans Live in Areas Where Demand For Primary Care May Exceed Supply by More than 10%. Health Affairs. [http://content.healthaffairs.org/content/early/2013/02/19/hlthaff.2012.0913.full.pdf+html](http://content.healthaffairs.org/content/early/2013/02/19/hlthaff.2012.0913.full.pdf+html)

- **96% physician practices accepting new patients**
  - **31% unwilling to accept Medicaid**
  - Increases in reimbursements help

Characteristics of 18-64 Year-Olds Projected in Medicaid Expansion Population


US: 1.3M
NJ: 19,670
NY: 31,541

US: 2.7M
NJ: 33,398
NY: 96,825

US: 2.6M
NJ: 30,006
NY: 99,759

- Serious Mental Illness
  - US: 7%
  - NJ: 6%
  - NY: 4%

- Serious Psychological Disorder
  - US: 15%
  - NJ: 10%
  - NY: 13%

- Substance Use Disorder
  - US: 14%
  - NJ: 9%
  - NY: 14%
State Level Actions

Part III

- Ensuring **sufficient providers** of primary care & behavioral health services
  - New opportunities for criminal justice population
- **Staffing** case managers & benefits coordinators
- **Training** (and revitalizing) burned out workforce
  - EBPs, new approaches to care
  - Treating intense needs
- Absorbing local gaps in care
- Recruiting/retaining best skills
- Adapting **clinical curricula** to include social determinants of health, working with homeless population
Care Delivery Models: Bus Maintenance

Health Care & Housing Are Human Rights
Models of Care

- Patient-centered medical homes, CCEs, ACOs, etc.
- Integrated, team-based care (mental health, addictions, medical)
  - Internal and/or external
- Focus on quality and outcomes, not quantity of procedures
- Electronic health records
- Coordinated care across multiple venues
- Collect data, eliminate disparities
- Coordinated care entities/accountable care organizations, etc.
- Health care viewed in a wider perspective
  - Renewed attention to social determinants of health
State Level Actions

Part IV

- Consider Medicaid options
  - “Health Homes”
  - Waivers to target benefit packages to specific groups
  - Billable providers
- Create incentives for quality (not quantity) of care
- Re-assess scope of practice laws, data sharing limitations
- Actively participate in system of change, check/prevent abuses
- Include housing as a health care intervention in state plans (track homeless measures in health system)
Action Steps: What to do NOW

- **Educate** clients, staff, family, friends…everyone
- Hold **site visit/meeting** with:
  - Your state’s Medicaid director & health reform lead
  - Your PCO/PCA
  - Your state and local health officer & local DSS director
  - Legislative leadership for health issues
- **Attend health reform stakeholder meetings**
  - Find/bolster the coalitions that do exist
- Ensure strong strategic plan/needs assessment is in place
- Form PCMH workgroup internally
- **Partner** with your fellow service providers (shelters, behavioral health care, others)
Key Advocacy Messages for Medicaid

- Free for the first 3 years
- A great deal after that
- Medicaid saves money—**for everyone**
- Good for the economy, creates jobs
- Best coverage & most affordable for low-income folks
- Saves lives, bolsters employment
- Stabilizes families, makes better parents
**OPPORTUNITIES**

- Improved individual & public health
- Reduced personal bankruptcy & poverty
- Increased individual & family stability
- Increased employment & productivity
- Reduced recidivism to criminal justice
- Preventing & ending homelessness

**RISKS**

- Fail to reach newly eligible (lack of outreach)
- Continued barriers to enrollment
- Inability to find provider(s)
- Difficulty engaging in care
- Ongoing housing instability risks engagement in care
- Poor transition to exchange jeopardizes gains in health, income
- Ongoing homelessness & poor health
More Information

- Barbara DiPietro, Director of Policy
  - bdipietro@nhchc.org or at @barbaradipietro

- National Health Care for the Homeless Council: Bring about reform of the health care system to best serve the needs of people who are homeless, to work in alliance with others whose broader purpose is to eliminate homelessness, and to provide support to Council members. www.nhchc.org  @NatlHCHCouncil

- Good source material available at:
  - Kaiser Family Foundation:  www.kff.org
  - HHS:  www.healthreform.gov
  - CMS:  www.medicaid.gov
  - Enroll America:  www.enrollamerica.org
  - Urban Institute:  www.urban.org
  - NACHC:  http://www.nachc.com/healthreform.cfm