



Affordable Care Act

Helping Families and Communities Achieve Better Health Outcomes

**2011 Northeast Family Strengthening Conference
September 27, 2011**

Joanne Corte Grossi, MIPP

Regional Director

U.S. Department of Health & Human
Services, Region III

Pennsylvania, Delaware, District of Columbia,
Maryland, Virginia, West Virginia

*"Our goal is for all Americans to live healthier,
more prosperous, and more productive lives."*

Critical Need for Health Reform

- 51 million uninsured Americans
- \$2.3 trillion spent annually on healthcare
- 17% of our economic output tied up in the health care system
- Without reform, by 2040, 1/3 of economic output tied up in health care--15% of GDP devoted to Medicare and Medicaid

Top Ten Leading Causes of Death

Women

- Heart Disease
- Cancer
- Stroke
- Chronic lower respiratory diseases
- Alzheimer's disease
- Unintentional injuries
- Diabetes
- Influenza and pneumonia
- Kidney disease
- Sepsis

Men

- Heart Disease
- Cancer
- Unintentional Injuries
- Chronic lower respiratory diseases
- Stroke
- Diabetes
- Suicide
- Influenza and pneumonia
- Kidney disease
- Alzheimer's disease

Affordable Care Act Overview

- Rein in insurance premiums rates
- Prevent denials of coverage, including for pre-existing conditions
- Make health insurance affordable for middle class families
- Make health insurance affordable for small businesses with tax cuts

Affordable Care Act Overview

- Provides coverage to young adults up to the age of 26
- Strengthens Medicare benefits with lower prescription drug costs for those in the 'donut hole,' chronic care, and free preventive care
- Prohibits plans from imposing lifetime and annual limits on the dollar value of benefits, and from rescinding coverage when you get sick

Affordable Care Act Overview

- Expanded Medicaid Coverage
 - to include individuals with incomes up to 133 percent of the poverty level

Highlights in 2010

- Establishment of State and National Temporary High Risk Pools
 - 30,395 Americans covered under program nationwide
- Extend coverage to young adults up to age 26
 - 1 million young adults covered nationwide
- Provide tax credits to small employers with less than 25 emp and avg annual wages less than \$50k that purchase health insurance
 - 4 million small businesses estimated to be eligible
- Provide a \$250 rebate to Medicare beneficiaries who reach the Part D coverage gap
 - Nearly 4 million seniors nationwide received checks

Highlights in 2010

- **Health Insurance Consumer Information** – Provides aid to states in establishing offices of health insurance consumer assistance in order to help individuals with the filing of complaints and appeals
 - \$30 million awarded nationwide
- **Early Retiree Re-insurance program** – for those age 55 to 64 (including for state governments) - \$5 billion in financial assistance
 - Over 5,000 employers nationwide accepted into program
 - Approved employers:
 - 32 percent businesses
 - 26 percent State and local governments
 - 22 percent unions
 - 14 percent schools and universities
 - 5 percent non-profits

Highlights in 2011

- Award five-year demonstration grants to states to develop, implement, and evaluate alternatives to current tort litigations
- Eliminate cost-sharing for Medicare covered preventive services that are recommended (rated A or B) by the U.S. Preventive Services Task Force
 - 18.9 million Medicare enrollees nationwide have received free preventive services
- Require pharmaceutical manufacturers to provide a 50% discount on brand-name prescriptions filled in the Medicare Part D coverage gap and begin phasing-in federal subsidies for generic prescriptions
 - 1.3 million Medicare enrollees nationwide have received discounts

Highlights in 2011

- **Holds Insurance Companies Accountable for Unreasonable Rate Hikes**
 - Creates a grant program to support States in requiring health insurance companies to submit justification for all requested premium increases

- **Ensures value for premium payments**
 - Requires plans in the individual and small group market to spend 80 percent of premium dollars on medical services, and plans in the large group market to spend 85 percent

Highlights in 2011

- **Increases the number of Primary Care Practitioners** – Provides new investments to increase the number of primary care practitioners, including doctors, nurses, nurse practitioners, and physician assistants
 - Projected to place more than 16,000 health professionals over next 5 years

- **Community Health Centers** - Increases funding for Community Health Centers to allow for nearly a doubling of the number of patients seen by the centers over the next 5 years
 - 23 million patients treated annually at health centers

Highlights in 2011

- **Center for Medicare & Medicaid Innovation**

- Encourage innovative payment and delivery models, such as medical homes
- Partnership for patients
- Hospital Value-Based Purchasing Program

- **Independent Payment Advisory Board**

- Recommend ways to target waste in the Medicare program, reduce costs, improve health outcomes for patients, and expand access to high-quality care

Moving Forward

- President Obama's FY 2012 Budget Proposal:

- Includes more than \$465 million to implement provisions of the ACA, including more than \$300 million for the Centers for Medicare and Medicaid Services (CMS)

- Pending litigation, states nationwide are continuing efforts to implement the ACA

Resources:

- Affordable Care Act website –
www.healthcare.gov
- Health IT website –
www.healthit.gov
- Center for Consumer Information & Insurance Oversight website –
<http://cciio.cms.gov>
- Affordable Care Act Spanish website –
www.cuidadodesalud.gov



Thank you!

Contact: joanne.grossi@hhs.gov