

HEALTH CARE REFORM OVERVIEW

OCTOBER 2011
MT. VERNON COUNCIL OF CITIZENS' ASSOCIATIONS

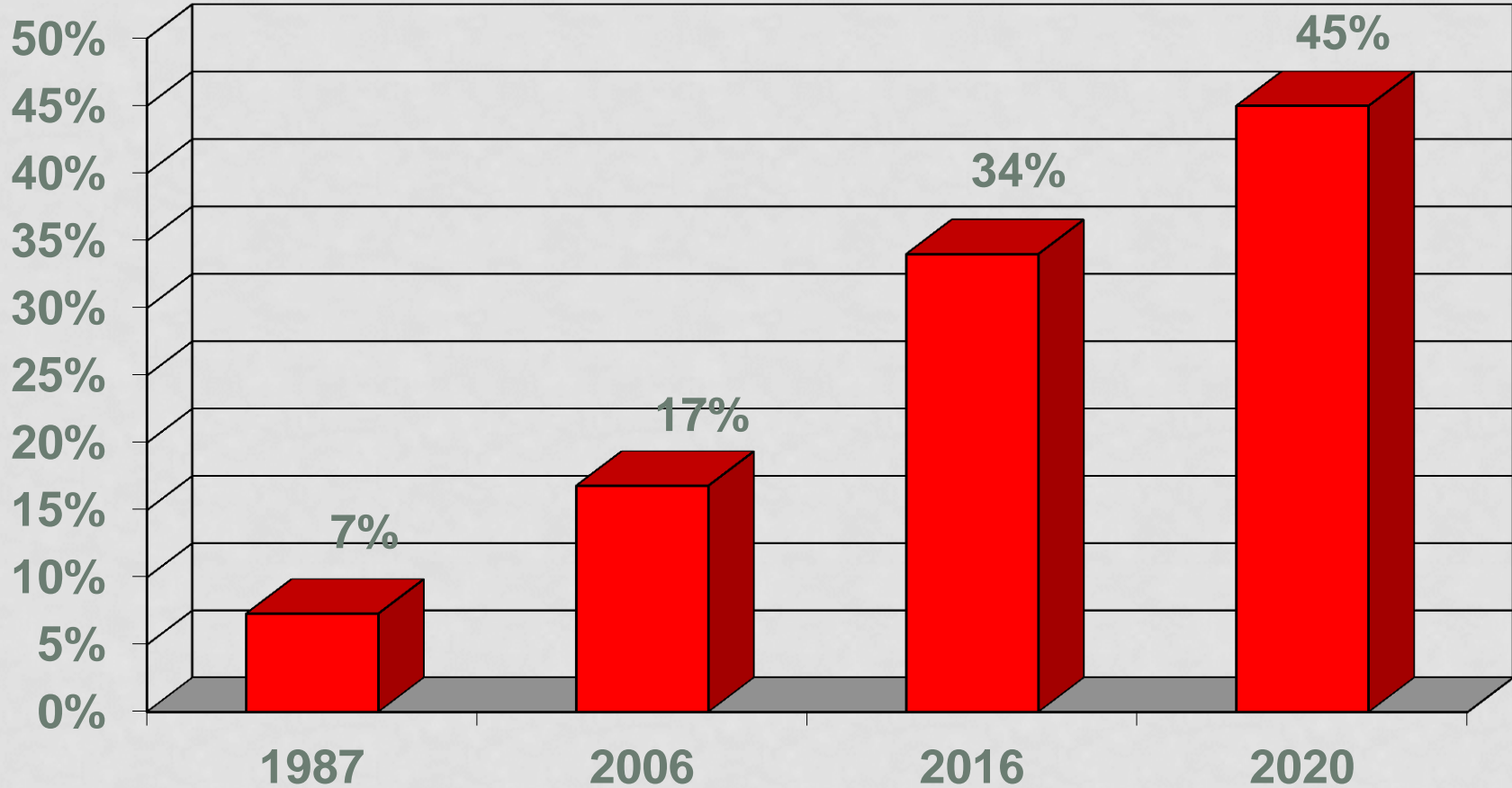
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HEALTH REFORM CHALLENGES

National Reform issues....

- *Cost for health insurance growing faster than family income*
- National Medicare expenditures rising percentage of GDP
- Social cost of not reforming...
 - More people are without insurance than ever before
 - 46 million people in US are without health insurance - 5% of the US population
 - 39.7 million adults or (over 1 in 5 adults) -21%
 - 6.21 million children or (nearly 1 in 10) - 8.2%
 - Cost of health care getting out of reach for many

PERCENT OF MEDIAN FAMILY INCOME REQUIRED TO PURCHASE FAMILY HEALTH INSURANCE



Source: George Mason University, Nichols/Flashner, presentation to Fairfax County Health Care Reform Implementation Task Force, "Implementing Health Reform in Real Communities: Fairfax County And PPACA", January 28, 2011.

WHAT THE FEDERAL LAW TRIES TO CHANGE

Attempts to address:

Better health outcomes

- 10% of US population in integrated health systems – goal: 100% (“Medical homes”)
- US preventable deaths is 110 persons per 100,000 – France is 65 per 100,000 as an example
- some strategies in PPACA: insurance reforms, health exchanges, standardizing participation in Medicaid in the states

Reduced costs for health care

- Payment reform
- Service delivery redesign
- Creation of incentives for providers – savings and efficiencies should improve the market and contain/perhaps reduce costs over time

WHAT'S HAPPENING NOW

- Lawsuits in 38 states on various aspects of PPACA
- Many states adopting portions of the law and seeking waivers for other portions....some states are waiting for results from the court cases
- Regulation development at both federal and state levels continue

NATIONAL SERVICE TRENDS

- Integration of cross disciplinary health and health related services
 - Behavioral, dental/oral, primary health care
- Health “safety net” providers seeing increased demand for health care
- Shortage of providers
- Some physicians not accepting reimbursement rates for Medicaid, and some not accepting Medicare rates
- Need for increased charity care coordination among hospitals, specialist, private sector – to support to meet demand



VIRGINIA CHOICES AFFECT FAIRFAX

Creation of health exchange(s)

- private insurance products that offers affordable insurance to low income individuals and families
Will help residents of Fairfax previously not able to afford insurance by giving them tax credits or subsidies for their premium payments

Medicaid rate structures and coverage

- More people become eligible – the federal law increases eligibility up to 450% of federal poverty level – and the federal government pays the full amount for three years
 - This means a lot of low income families and individuals living in Fairfax will be able to enroll in the Medicaid insurance program
 - The dilemma will be what Virginia will do when the federal money is phased out
- Waivers – many severely disabled individuals would benefit if Virginia would participate in financing some of the community care and supported living waivers available in Medicaid – but the money needs to be appropriated

Administration of plans and enrollment

- The state is reviewing any administrative savings they can achieve – in enrollment, data systems, payment mechanisms – these initiatives could result in reductions in direct client services within the localities OR they could improve access, **depending upon the design of the systems**
- Revisions to coverage for children and adults - and in all behavioral health, substance abuse, long term care, primary health areas – may be cutting back on services to cut back on funding

Regulations – recommendations from the Virginia Health Reform Initiative

- How insurance will be regulated



VIRGINIA MEDICAID PROGRAM

- Not meeting need in several areas:
 - **Virginia does not participate in many of the optional services that are available through Medicaid**
 - **Virginia places lowest in Eligibility for the Medicaid program-ranks 42nd in the nation compared to other states** (source: Public Citizen Health Research Group, April 2007) – income must be **very low** to qualify
 - **Virginia Medicaid does not cover the full reimbursement to health care providers for the cost of their services** (Medicaid physicians get about 80% of payment levels Medicare pays)

Costs are still rising in the Virginia Medicaid program and creating additional budgetary pressures

HEALTH CARE REFORM –LINK TO ONGOING COUNTY INITIATIVES

Example: Healthy People 2020 –local community health planning efforts

- Attain high quality, longer lives free of preventable disease, disability, injury, and premature death
- Achieve health equity, eliminate disparities, and improve the health of all groups
- Create social and physical environments that promote good health for all
- Promote quality of life, healthy development, and healthy behaviors across all life stages

Measures of Progress

General Health Status

- Life expectancy
- Healthy life expectancy
- Physical and mental unhealthy days
- Self-assessed health status
- Limitation of activity Chronic disease prevalence
- International comparisons (where available)

Disparities and Inequity

Disparities/inequity to be assessed by:

- Race/ethnicity
- Gender
- Socioeconomic status
- Disability status
- Lesbian, gay, bisexual, and transgender status
- Geography

Social and Health Determinants

- Social and economic factors
- Natural and built environments
- Policies and programs

Health-Related Quality of Life and Well-Being

- Well-being/satisfaction
- Physical, mental, social health-related quality of life
- Participation in common activities



HEALTH CARE REFORM – LINK TO ONGOING COUNTY INITIATIVES

Other Examples:

Beeman Commission Implementation -

The blueprint for strategies to improve public mental health services

Systems of Care for Families and

Children-*a cross-disciplinary, multi-department, public schools, parent and community provider initiative to support a comprehensive “system of care” for children and families.*

Partnership for a Healthier Fairfax

(PFHF) - *is a coalition of community members and organizations that are working together to strengthen the public health system and improve community health.*

Health technology improvements –

strategies to comply with federal laws and with State requirements:

- How information technology will be used to enroll individuals in health insurance
- What systems are used for client records
- What payment systems are available



CONSIDERATIONS FOR THE COUNTY

Revenues

Maximize funding to support direct and contracted
Health care services

Service provision changes

How does health reform impact the health safety net?
How can the community work together to help people?
currently without health insurance access affordable and quality health
care services?
How does the county implement best practices for integrated health
services – physical, oral, behavioral?

Infrastructure

What does the county need in automated systems, administrative
systems to meet the demand for health care services?

CONSIDERATIONS FOR THE COUNTY

More people get insured - expansion of public health exchange and Medicaid enrollment

- Implications for the safety net
 - Who will need a medical home
 - Partners in the community who will serve newly eligible people
 - Regional safety net partners
 - Hospitals
 - Free clinics
 - Physicians and care providers in community
 - Services – primary, oral, health, behavioral
- Resource Development
 - Grant application development/program design
 - Regulatory analysis
 - Planning support



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HEALTH CARE REFORM TASK FORCE

Charter

- Study provisions of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010, and analyze the operational impact of the various requirements;
- Recommend strategies for implementation, to include policy decisions related to future structuring of safety net services, incorporating analysis of existing, revised and new health insurance coverage opportunities; and
- Implement and operate approved and agreed upon actions

FAIRFAX HEALTH CARE REFORM TASK FORCE

Deliverables

- Conduct a thorough study of the potential impact of federal and state health care reform policies, legislation and regulatory acts on Fairfax County (and residents of Fairfax and Falls Church served by the County)
- Recommendations on phase one – due to the Board of Supervisors in December 2011

George Mason University contract

- To support Task Force on specific deliverables within the Task Force work plan