Health Care Reform: What Does it Mean to You and Your Patients?

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Today’s Agenda
• Healthcare reform history and objectives
• What was enacted
• Specific impact for people with cancer
• What you can do

ONS Health Policy Priorities 2010
• Promote and improve cancer symptom management and pain control
• Advance and ensure access to quality cancer prevention and care
• Bolster the nation’s nursing workforce to safeguard public health
Why Healthcare Reform?

Why Now?

• Between 2007 and 2008, the number of people covered by private health insurance decreased from 202 million to 201 million, while the number covered by employment-based health insurance declined from 177.4 million to 176.3 million. Although the number of people covered by government programs did increase, the number of uninsured continued to rise (U.S. Census Bureau, 2009).

• Four out of five of the uninsured are in working families (Kaiser Commission on Medicaid and the Uninsured, 2008).

Why Healthcare Reform?

• Adults age 30 and older comprise more than half (52%) of the uninsured (Kaiser Commission on Medicaid and the Uninsured, 2008).

• Patients with cancer and survivors often are unable to find adequate and affordable coverage in the individual market (American Cancer Society, 2009).
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Health Care Around the World

Percentage of Gross Domestic Production Spent on Health Care


Total Health Expenditures (per capita)

Universal or Near-Universal Healthcare Coverage


Life Expectancy at Birth


Infant Mortality (deaths per 1000 live births)

Goals for Healthcare Reform

• **Contain Costs** - drive down unnecessary costs
  – US health expenditures in 2005 were $2 trillion (16% GDP), estimated to increase to $4.1 trillion (20% GDP) by 2016

• **Expanded Access to Care** - provide coverage for uninsured
  – 17% of US population (50.4 million) uninsured in 2006

• **Reform the Insurance Industry** - assure everyone has affordable coverage for what they need, when they need it.
  – Exclusions due to preexisting conditions and lifetime caps currently limit availability

Goals for Healthcare Reform

• **Prevent Disease and Promote Health** - reduce costly chronic conditions and keep people healthy
  – Current system restricts consumer access, overemphasizes acute care, and is orientated toward treatment, at the expense of prevention and wellness ($ spent on healthcare sometimes fails to promote health)

• **Grow the Workforce** - ensure the US has an adequate number of health professionals to serve a growing population
  – U.S. nursing shortage is projected to grow to 260,000 registered nurses by 2025 due to increased demand (aging of the population) and decreased supply (aging workforce)
Healthcare Reform History

• Two separate bills produced:
  (1) House: contained provisions for a public option
     - Energy & Commerce Committee
     - Ways & Means Committee
     - Education & Labor Committee
  (2) Senate: focused on a state-based exchange option
     - Finance Committee
     - Health, Education, Labor and Pensions Committee
• Administration/White House: advocated the Senate approach

Healthcare Reform Enacted

Patient Protection and Affordable Care Act (H.R. 3590)
(a.k.a. ACA)
• Passed by the Senate on December 24, 2009
• Passed by the House on March 21, 2010
• Signed into law (Public Law 111-148) on March 23, 2010
  by President Obama
• On March 30, 2010, President Obama signed the Health Care and Education Reconciliation Act of 2010, which contained “fixes” to the health care bill.

Patient Protection and Affordable Care Act
>2400 pages

- Individual Mandate
- State-based Exchanges
- Medicare Changes
- Expand Medicaid
- Health Insurance Reforms
- Employer Mandate
- Workforce Provisions
- Coverage for Clinical Trials
- Pain Care Provisions
- Public Health Funding
- And More
Healthcare Reform
Overall Impact

- The Congressional Budget Office (CBO) estimates that the bill will reduce the number of uninsured by 32 million in 2019.
- By 2019, 24 million people will have coverage through state health exchanges (some previously covered in the individual market).
- 16 million more people will be enrolled in Medicaid and State Children's Health Insurance Program.

Financing Healthcare Reform

- New Taxes/Fees
  - High-cost insurance plans (2018)
  - Indoor tanning (2010)
  - Medical devices (2012)
  - Pharmaceutical and health insurance sectors (2013)
  - Additional 0.9% Medicare payroll deduction for individual annual income > $200,000 / joint filer > $250,000
- Medicare and Medicaid cuts
- CBO estimates that the net cost of the legislation will be $938 billion over ten years
- CBO estimates that the health care components of the law will reduce the deficit by $124 billion over ten years

Individual Mandate

- Require U.S. citizens and legal residents to have qualifying health coverage
- Coverage must be "minimum essential"
- Employer provided coverage will meet the individual obligation
- Tax penalties for those without insurance will be phased in beginning in 2014 at $95 or 1% of taxable income to $695 or 2.5% of taxable income in 2016
- Lower income individuals (within 133-400% of FPL) will receive subsidies and tax credits or employer-provided vouchers to help pay for coverage
### Employer Mandate

By 2014,
- Employers with more than 50 employees must offer "qualified" health coverage, or pay a fine of $2,000 per FTE (excludes first 30 employees) if they do not provide coverage.
- Employee waiting period for enrollment may not exceed 90 days.
- State-based health exchanges will be created for small businesses, so they can have access to affordable plans for their employees.
- Provide vouchers to lower income employees (incomes < 400% of FPL) who opt to enroll in a plan in the “Exchange.”

### Health Insurance Exchanges

#### 2014
- Create state-based American Health Benefit Exchanges and Small Business Options Program (SHOP) Exchanges administered by a governmental agency or non-profit organization through which individuals and small businesses with up to 100 employees can purchase qualified coverage (> 100 employees after 2017).
- All legal US residents are eligible for coverage through exchanges.
- Exchanges serve geographic areas within or across states.

#### 2014
- For individuals not eligible for Medicare or Medicaid, but who are between 133 and 400% of the FPL, beginning in 2014, subsidies will be available to purchase insurance through a state exchange.
- Policies sold in exchanges will be required to provide a range of benefits, such as prescription drugs, hospitalizations, and certain preventative benefits.
Medicare Changes: Highlights

- Provides preventative care (e.g. mammogram, colonoscopy) without co-payments or deductibles
- Provides access to a comprehensive health risk assessment and creation of a personalized prevention plan and incentives to complete behavior modification programs
- Gives beneficiaries in the (Part D) prescription drug “donut hole” a $250 rebate and 50% discount on brand name drugs
- Closes the (Part D) prescription drug “donut hole” by 2020

Medicare Changes: Highlights

- Creates an “Innovation Center” within MMS (by 2011) to test different payment structures and approaches to improve quality and outcomes while reducing costs
- Imposes $500 billion in funding cuts over ten years
- Cuts payments for diagnostic imaging
- Decreases payments for clinical laboratory services
- Reduces payments to hospitals with high readmission rates and/or high rates of hospital acquired conditions

Medicaid Changes: Highlights

- Expanded to all non-Medicare eligible individuals under 65, including childless adults with incomes up to 133% of FPL, beginning in 2014
- Federal government pays 100% of the cost 2014-2016
- Co-payments and deductibles will not be applied to certain early detection and preventive care services (e.g. immunizations, screening)
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Medicaid Changes: Highlights

- Provide incentives for completion of behavior modification programs
- Coverage of tobacco use cessation counseling and pharmacotherapy for pregnant women is required to be covered
- Provide states with incentives to permit Medicaid enrollees with at least two chronic conditions or one condition and high risk of developing another with option of designating a provider as a health home

Health Insurance Reforms: 2010

Within three months:

- High-risk insurance pools created to provide health coverage to individuals with pre-existing conditions
  - Those who have been uninsured for at least six months are eligible to enroll and receive subsidized premiums
  - $5 billion appropriated to finance the program
  - At least 65% of the costs must be covered and out-of-pocket expenses capped at $5,950 for individuals and $11,900 for families annually

"You're denied coverage because of your pre-existing condition of having lousy health insurance."
July 1, 2010

- Pre-Existing Condition Insurance Plan
- Announced by Secretary of U.S. Dept of Health and Human Services, Kathleen Sebelius on July 1, 2010
- Some state-run, some run by HHS
- http://www.healthcare.gov

Health Insurance Reforms: 2010

Within six months:
- Provides dependent coverage for adult children up to 26 years of age (September 23, 2010)
- Children (<19 yrs) with pre-existing conditions cannot be denied coverage
- Prohibits rescission of coverage, except in case of fraud
- Prohibits lifetime limits on coverage
- Cost sharing requirements for many preventive healthcare services are eliminated

Health Insurance Reforms: 2010-11

Insurers must report the proportion of premium dollars spent on clinical services, quality and other costs and provide rebates to enrollees if too much of the insurer’s premium revenues are spent on administrative costs and profits instead of benefits for enrollees. (85% large group market plans and 80% individual and small group market plans)
Health Insurance Reforms: 2014
Minimum benefit requirements:
- Ambulatory services
- Emergency services
- Hospitalization
- Mental health/substance abuse
- Rehabilitative services and devices
- Prescription drugs
- Laboratory services
- Preventative and wellness services, including chronic disease management
- Maternity/newborn care
- Pediatric services

Health Insurance Reforms: 2014
Insurers will not be permitted to:
- Place lifetime or annual limits on the dollar value of coverage
- Deny issuing or renewing policies to individuals or families
- Exclude individuals or families from coverage, even if they have pre-existing conditions
- Impose waiting periods for coverage that exceed 90 days
- Charge higher rates due to health status or gender (age, tobacco use, geography and family composition may still be factors)
- Discriminate based on health status, history, claims experience, genetic information, disability or other factors

Healthcare Reform: Specific Impact for People with Cancer

- Immediate creation of high-risk pools for those with pre-existing conditions, who are uninsured.
- More affordable coverage, due to elimination of annual and life-time caps on benefits and prohibition of gender rating.
- Portability and continuity of coverage for people with cancer or history of cancer, by eliminating pre-existing condition limitations.
- Guaranteed coverage, even if a patient becomes sick.
Healthcare Reform: Specific Impact for People with Cancer

- Prohibition of eligibility based on health status.
- Increased access to early detection, prevention, treatment, and follow-up care for those previously without coverage.
- Improved access and coverage of prescription drugs for Medicare beneficiaries.
- Provision of evidence-based preventive and early detection measures without co-payments (private insurance/plans).
- Assured coverage of participation in clinical trials

Coverage for Clinical Trials

- Requires insurance plans to cover routine costs associated with clinical trials
- Beginning 2014, prohibits plans from dropping individuals, because of participation in clinical trials, and from denying coverage of routine care
- Applies to all clinical trials that address cancer and/or other life-threatening diseases

Pain Care Policy Provisions

Provisions of the National Pain Care Policy Act of 2009 were included in the bill:

- Requires the Institute of Medicine to hold a conference on pain
- Supports the creation of training efforts to educate health care professionals about pain assessment and treatment
- Enhances the national pain research agenda through the National Institutes of Health
Comparative Effectiveness Research

- Support comparative effectiveness research
  - Establish non-profit Patient-Centered Outcomes Research Institute to identify research priorities and conduct research that compares the effectiveness of medical treatments
  - $500 million in funding available in 2010
  - Findings may not be construed as mandates, guidelines, or recommendations for payment, coverage or treatment or used to deny coverage

Nursing Workforce Provisions

The bill seeks to address the projected shortage of nurses and retention of nurses through:

- Nurse education, practice and retention grants
- Education loan repayment and scholarship programs
- Nursing faculty loan program
- Advanced nursing education grants
- Workforce diversity grants
- Nursing education, practice and retention grants
- Grant program to support nurse-managed health clinics that provide primary care

Independent Payment Advisory Board (IPAB)

- 15-member panel will recommend means to reduce the per capita rate of growth in Medicare spending if it exceeds a target growth rate
- Beginning January 18, 2011 the board will submit recommendations if Medicare per capita spending exceeds gross domestic product (GDP) per capita plus 1%
- Starting in 2014, in any year in which the Medicare per capita growth rate exceeds a target growth rate, the board is mandated to recommend Medicare spending reductions
Independent Payment Advisory Board (IPAB)

- The Board is prohibited from making recommendations that would ration care, increase revenues, or change benefits

- The recommendations made by the IPAB will go into effect unless Congress takes action to block implementation

Center for Medicare and Medicaid Innovation (CMI)

- To be housed within the Centers for Medicare and Medicaid Services (CMS)

- Responsible for development, testing, and implementation of payment and delivery arrangements to improve quality and reduce costs for services provided to Medicare and Medicaid patients

Center for Medicare and Medicaid Innovation (CMI)

- The Secretary shall select models to be tested where there is evidence that the model addresses a defined population for which there are deficits in care leading to poor clinical outcomes or potentially avoidable expenditures

- 18 possible models are suggested, but the Secretary is not required to select from those listed in the law
Focus on Healthy Communities

Provisions for
• Grants to promote individual and community health and to prevent chronic disease
• Grants to states and large local health departments to conduct pilot programs to evaluate chronic disease risk factors among the 55-to-64 year old population, conduct evidence-based public health interventions, and ensure that individuals with chronic disease, or at risk for chronic disease, receive clinical treatment

Increased Investment in Public Health

• New “trust fund” to provide expanded and sustained national investment in prevention and public health, including health care research and health screenings
• New programs and benefits relating to prevention, including school-based health clinics and an oral healthcare prevention education campaign
• Cancer screenings are specifically mentioned as a needed community intervention

Disease Prevention and Health Promotion

• A new interagency council will be established to promote healthy policies and establish a national prevention and health promotion strategy
• New funding for research in public health services and systems to examine best practices in the area of prevention
• CDC evaluation of best employer wellness practices and development of efforts to promote the benefits of worksite health promotion
Healthcare Reform

And more....

*The one thing they could reform in healthcare is these gowns.*

Implications for Cancer Care

- Increased access to screening and early detection
  - Will this reduce incidence and morbidity resulting in lower costs, or will this tax the system with new patients seeking prevention/early detection?
- Increased access to care
  - Higher volume of patients?
  - Will this exacerbate the nursing and physician shortage?
- Will insufficient Medicare/Medicaid reimbursement threaten access to care and delivery?
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07/17/2010

Implementation of Healthcare Reform

- Regulations will need to be created by the various agencies charged with carrying out the authority

- Public comment will be invited to aid the development of regulations-opportunity for nursing involvement
  - adult dependent coverage-May
  - Prohibition of pre-existing condition exclusions, lifetime and annual dollar limits on benefits, restrictions on rescissions, patient protections-June 28

ONS “Seats at the Table” HCR Expert Panels

- National Health Care Workforce Commission
- Board of Governors for Patient-Centered Outcomes Research Institute
- Interagency Pain Research Coordinating Committee

Why Your Voice is Important

Nurses have Power
- in knowledge of the challenges of the healthcare system
- in numbers in representing the largest group of healthcare providers

Nurses are
- the most trusted profession in the nation
- respected by lawmakers

Nurses have a real understanding of the needs of patients, families and healthcare professionals
Types of Advocacy

• Patient – doing what oncology nurses do everyday
• Legislative – impacting the proposed laws and amendments being considered by the Congress
• Regulatory – seeking to influence the rules and regulations that implement federal laws (e.g., submitting comments to the Centers for Medicare and Medicaid Services)
• Media – using the media to influence public policy deliberations (e.g., op-eds, TV or radio ads)
• Legal – employing lawsuits to effect change (e.g., suing the tobacco industry)

Ways to Impact Public Policy

• Direct “lobbying” - ONS Health Policy Manager and Contracted Associates
• Grassroots advocacy – ONStat: ONS’s grassroots electronic advocacy network
• “Grasstops” advocacy - ONS staff and volunteer health policy leaders
• Media advocacy - letters to the editor, op-ed pieces, ads
• Coalition work

How to Support ONS’s Health Policy Priorities

• Respond to ONStat Alerts: makes it easy and effective to weigh-in with elected officials
• The Legislative Action Center – www.onslac.org – does all the work for you – pulls up Members of Congress, gives you a template e-mail, and with a click of a button, sends the message directly to Capitol Hill
How to Support ONS’s Health Policy Priorities

Respond to ONS Action Alerts and distribute them to others
- All e-mails, faxes, letters, calls, postcards, petitions, etc. are counted
- Personal handwritten letters suggest a high level of priority and importance (send by fax or hand-deliver to local offices)
- Keep a copy of your message in case you need to follow up
- Anyone can use the ONS Legislative Action Center, so share the information with colleagues, family, and friends

How to Support ONS’s Health Policy Priorities

Call Your Members of Congress*
- Phone calls allow you to weigh-in directly and quickly, particularly on an urgent matter – just be sure to ask for a response, and give your contact information to the staffer
- Just dial the Capitol switchboard: 202-224-3121, and ask to be transferred to your Senators, or your Representative

* Not sure who represents you – just put your zip code in the Write to Congress/Find Your Reps portal box at www.onslac.org, and the Legislative Action Center will give you your state and district-specific information

How to Support ONS’s Health Policy Priorities

Meet with your elected officials
- In-person meetings are very effective and send a message that you are engaged in the public policy process and will hold your elected officials accountable

Establish a relationship with elected officials and/or their staff
- Seek a meeting, follow-up with a thank-you letter, and communicate regularly (but not too often)
- Helps ensure that when you email, call, write, or visit in the future that your input is valued highly
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How to Support ONS's Health Policy Priorities

Have Your Voice Heard at Home

• Attend a town hall meeting
• Submit an op-ed piece or letter-to-the-editor to your local newspaper
• Visit the local offices of your elected officials or invite them to attend a chapter meeting
• Register and vote!

Resources on Healthcare Reform

Centers for Medicare and Medicaid
http://www.cms.hhs.gov/
Congressional Budget Office
Department of Health and Human Services
http://www.healthcare.gov
http://www.hhs.gov/
http://www.healthreform.gov/
The White House
http://www.whitehouse.gov/healthreform

Resources on Healthcare Reform

Henry J. Kaiser Family Foundation
http://healthreform.kff.org/
American Nurses Association
http://www.nursingworld.org/MainMenuCategories/HealthcareandPolicyIssues/HealthSystemReform.aspx
Families USA - Health Reform Tool Kit: Getting Specific about Health Reform
http://www.familiesusa.org/health-reform-tool-kit/getting-specific/