Patient Protection and Affordable Care Act (ACA): Opportunities for Medicaid

Center for Health Care Strategies
October 26, 2010, 11:30 a.m. to 1:00 p.m., ET

For technical support during this event, call 866-229-3239.
Agenda

• Welcome and Overview
• The Opportunity for States
• Key Provisions of Legislation
  – Funded
  – Unfunded
• Discussion, Questions and Answers
CHCS Mission

To improve health care quality for low-income children and adults, people with chronic illnesses and disabilities, frail elders, and racially and ethnically diverse populations experiencing disparities in care.

CHCS Priorities

- Improving Quality and Reducing Racial and Ethnic Disparities
- Integrating Care for People with Complex and Special Needs
- Building Medicaid Leadership and Capacity
What is the Opportunity?

• Expansions
  – 32 million Americans will now have coverage
    • 16-20 million through Medicaid program

• Exchanges
  – Individual mandates for coverage
  – States operating insurance exchanges

• Innovations (focus of this webinar)
  – Improving care, advancing quality, reducing costs
  – Strengthening primary care infrastructure
What is the Opportunity for the RDPS Teams?

• To leverage opportunities in the Affordable Care Act (ACA) to:
  1. Develop financing vehicles to help bring quality improvement at the point of care; and
  2. Create a policy environment in which quality improvement can thrive.
Key ACA Provisions - Funded

- Section 1202. Payments to primary care physicians*
- Section 2701. Adult health quality measures
- Section 2703. Health homes for enrollees with chronic conditions
- Section 3021. Establishment of Center for Medicare and Medicaid Innovation (CMMI)
- Section 4108. Medicaid incentives to prevent chronic disease

* Health Care and Education Reconciliation Act ("H.R. 4872")
Section 1202. Payments to PCPs*

• Provision Overview:
  – Physicians in family medicine, internal med, or peds will be paid 100% of Medicare for evaluation and management (E&M) services and immunization administration
  – Both fee-for-service and managed care delivery systems

• Funding:
  – Appropriated
  – Delta between current rates and 100% Medicare is 100% federally funded

• Timeline:
  – This is time-limited: 2013 and 2014 only

* Health Care and Education Reconciliation Act ("H.R. 4872")
Questions and Considerations

• Will increased bucks create enough bang?
• What % of the provider network will receive increase?
• Can states leverage increase to expand provider participation in Medicaid?
• Can increase be linked to quality and access standards for plans and providers?
• How can increase be linked to ambulatory QI? To medical home?
• Will providers “bite” or will it be an added hassle?
• What happens after 2014?
Section 2701. Adult Health Quality Measures

• Provision overview:
  – HHS will develop core set of adult quality measures for Medicaid
  – Medicaid Quality Measurement Program in 2012

• Funding:
  – $300M appropriated for 2010 to 2014
  – Grants to states to develop, test, and validate measures will be a part of this

• Timeline:
  • Public comment on measures in January 1, 2011
  • HHS to finalize core measure set in 2012
  • Voluntary reporting in 2013; mandatory in 2014
Section 2703. Health homes for enrollees with chronic conditions

• Provision Overview:
  – Starting January 1, 2011, Medicaid can reimburse a designated provider, team of health care professionals working with provider, or health team for six health home services for patients with chronic conditions:
    1. Comprehensive care management
    2. Care coordination/health promotion
    3. Comprehensive transitional care
    4. Patient and family support
    5. Referrals to community and social support services
    6. Use of HIT to link services
  – Optional and implemented via State Plan Amendment (SPA)
Section 2703. Health homes (cont’d)

• Funding:
  – Appropriated; 90-10 federal-state match for services for first eight quarters that SPA is in effect
  – $25M in planning grants: not appropriated

• Timeline: Starting January 1, 2011

• Eligible beneficiaries have:
  – Two chronic conditions;
  – One chronic condition and at risk of second; or
  – Serious and persistent mental health condition.

• Chronic conditions = mental health condition, substance abuse, asthma, diabetes, heart disease, or overweight
Section 2703. Health homes (cont’d)

• Eligible providers selected by beneficiary:
  – Designated provider (physician, practice, rural clinic, CHC, CMHC, home health agency, other determined by the State and approved by the Secretary to be qualified);
  – Team of health care professionals (e.g., physician, nurse care coordinator, nutritionist, social worker, BH professional and be free-standing, virtual, or based at a hospital, community health center, community mental health center, rural clinic, clinical practice or clinical group practice, academic health center); or
  – Health team (defined in Section 3502 as Community Health Team).
Section 2703. Health homes (cont’d)

• Program Requirements:
  – Medicaid can target specific geographic regions
  – Service reimbursement methodology will be determined by each state
  – Medicaid will have to ensure services for all targeted conditions
  – Hospitals must refer ED patients to designated providers
  – Monitoring requirements for states
  – Independent evaluation
Questions and Considerations

• How could health home services be integrated into any existing medical home efforts?
• How would the state identify eligible providers?
• How would the state identify eligible beneficiaries?
• What would the role of health plans be, if any?
• What payment structures can incentivize successful health homes and improved outcomes?
Section 3021. Establishment of Center for Medicare and Medicaid Innovation (CMMI)

• Provision Overview:
  – Competitive grants to test innovative payment reform and service delivery models to reduce costs while enhancing quality
  – Models of interest include ACOs, medical home, CHTs for small practices, and many others
  – Emphasis on speed of dissemination/spread of what works and on quick evaluation

• Funding: $10 billion appropriated over 10 years

• Timeline: CMMI in place by January 2011
Payment Reform Opportunities

• Section 2703. Innovative incentives within health home and CHT provisions (Timeline: starting 2011)
• Section 2704. Bundled Payment Demonstration project (Timeline: 2012 to 2016)
• Section 2705. Global Capitated Payment Demonstration project (Timeline: 2010 through 2012)
• Section 2706. Pediatric Accountable Care Organization Demonstration (Timeline: 2012 through 2016)
Section 4108. Incentives for prevention of chronic disease in Medicaid

• Provision Overview:
  – HHS grants to Medicaid programs to implement comprehensive, evidence-based incentive program for one or more of the following: tobacco cessation, weight loss, lowering cholesterol or blood pressure, or avoiding onset of diabetes

• Funding:
  – $100M is appropriated to carry out the section

• Timeline:
  – States will apply for funding starting January 2011, grants last 3-5 years
Section 4108. Incentives for prevention of chronic disease in Medicaid (cont’d)

• Requirements:
  – Can be targeted to specific geographic region
  – Can partner with variety of organizations
  – Must conduct outreach campaign to providers and beneficiaries
Questions and Considerations

• Who are the partners that can help Medicaid carry out the program?
• Is there an existing infrastructure in private sector for consumer incentives?
• How can this program be used as a stepping stone to better coordinate Medicaid and public health efforts?
Other Provisions of Interest (No Funding Appropriated Yet)

- Section 3502. Community health teams to support PCMH
- Section 3503. Medication management services for chronic disease
- Section 4302. Understanding disparities: data collection/analysis
- Section 5405. Primary care extension program
Section 3502. Community health teams (CHTs) to support PCMH

• Provision Overview:
  – Grants/contracts from HHS to states/state-designated entities to establish community-based, inter-professional, interdisciplinary teams to support PCPs
  – CHTs support patients receiving health home services (e.g., prevention, patient education and care management)
  – CHT gives PCP capitation payment to support services to practices, including PCMH “mode of care”

• Funding: Not appropriated

• Timeline: None provided
Section 3502. CHTs (cont’d)

• What CHTs would do:
  – Collaborate with PCPs, state and community-based resources to coordinate disease prevention, DM, transitions in care, case management
  – Develop/implement interdisciplinary patient care plans in collaboration with local providers
  – Provide 24-hour care management and support during transitions of care
  – Serve as liaison to community prevention and treatment programs
Section 3502. CHTs (cont’d)

• CHTs will provide support to providers to:
  – Coordinate and provide access to high-quality services, specialty care, inpatient, family-centered;
  – Provide access to med management by pharmacist (Section 3503);
  – Coordinate complementary and alternative services;
  – Promote strategies for treatment planning, monitoring outcomes and resource use, sharing information, treatment decision support, organizing care to avoid duplication, etc.;
  – Provide local access to continuum of health care services; and
  – Provide a care plan to team for each patient.
Section 3503. Medication management services for chronic disease

• Provision Overview:
  – Grants and contracts from AHRQ to eligible entities to implement medication management (MTM)
  – Eligible entity must provide services in appropriate setting

• Funding: Not appropriated

• Timeline: Began May 1, 2010

• Targeted patients: 4+ prescribed meds; high-risk meds; 2+ chronic conditions; or transition of care

• Create links with CHTs, health home beneficiaries, and primary care extension program; develop and monitor treatment plan; patient education and training; etc.
Section 4302. Understanding disparities: data collection and analysis

• Provision Overview:
  – Any federally supported health care or public health program, activity or survey must collect and report – to the extent practicable - race/ethnicity/language (REL) at the smallest geographic level
  – Must use Office of Management and Budget (OMB) standards at a minimum
  – Must be self-reported by patient

• Funding: Not appropriated

• Timeline: 2 years after enactment of ACA (March 2012)
Section 5405. Primary care extension program

• Provision Overview:
  – Competitive grant program through AHRQ for states to establish “hubs” to: (1) educate PCPs about preventive medicine, health promotion, DM, MH/BH services, and evidence-based/informed therapies/techniques; and (2) improve community health by providing community-based health connectors

• Funding: Not appropriated; however, $240M (for 2011 and 2012) authorized for appropriation
  – Planning grants: two years; Implementation grants: six years

• Timeline: Starting FY 2011
Section 5405. Primary care extension program (continued)

- Requirements for hubs:
  - Each hub comprises: (1) state health department; (2) Medicaid; (3) health professions schools in state to train PCPs; and (4) may include others
  - Hubs: (1) coordinate functions with quality improvement organizations (QIOs) and Area Health Education Centers (AHECs); (2) administer grants to local Primary Care Extension Agencies (PCEAs); and (3) organize networks of PCEAs
  - PCEAs: (1) assist PCPs in implementing PCMH; (2) develop learning communities; (3) participate in national network; and (4) become sustainable
Questions?

To ask a question: 1) unmute your phone, and ask verbally, or 2) click on the Q&A panel located on the right side of your screen, type your question, and click send.
Reform Resources

• CMS  

• Health Reform GPS  
  – http://www.healthreformgps.org/

• Kaiser Family Foundation  
  – http://healthreform.kff.org/

• National Academy for State Health Policy  
  – http://nashp.org/health-reform

• National Governors Association  
  – Health Reform Implementation Resource Center

• AcademyHealth – State Coverage Initiatives  
  – http://www.statecoverage.org/health-reform-resources