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HEALTH CARE, INC.  
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# Staying Informed

Ideas, Information, and Perspectives In  
the New Health Care World

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## Repeal, Replace, or Fix? A Question for the Country

If you ever want to liven-up a dinner conversation just start talking about health care. Especially since last year's passage of the Patient Protection and Affordable Care Act (ACA), the country has divided into its respective political positions to continue to debate about when government involvement is needed and when it's not. This is the same discussion we've had about health care for over almost 100 years.

While the public opinion numbers vary, it's pretty safe to say the overall ACA "brand" with the American people is not all that positive right now. Since the legislation's passage, the public has been consistently split on its view (supporting and against) with a slight trend more recently toward the opposition since all of the talk of defunding, the court decisions, and repeal have made it in the headlines. There are some things the general population likes- and some things they don't. Most still don't understand how it is all supposed to work.

Health care debates in our country are always contentious and this one is no different. The process used to pass the Affordable Care Act in Congress (primarily by the Democrats), while successful, left a bad taste in everybody's mouth. The final product is a lot of pages, potentially expensive, and not all that easy to understand. The debates will likely continue to be contentious as the legal challenges and implementation efforts continue. However, for the first time in a long time we have a framework to work from. The decision we now have to make as a nation is whether we move ahead with the concept outlined in the ACA, we fix what doesn't make sense, or start over.

Regardless of the final outcome, perhaps one of the most important contributions of the ACA is that it finally put health care near the top of the domestic agenda (in addition to jobs and the economy) as an issue that must be addressed. The economy (individuals and businesses) can no longer support the trajectory in health care costs and expenses we were on and we can no longer just keep kicking the can down the road. We all know it. It's time to start doing something about it.

Almost everyone has an opinion concerning what we should do about the costs of health care. Most have an opinion about the ACA but don't really know what's in it. Our February Newsletter is a cheat-sheet. It provides a brief summary of each Title of the law as it stands today and the page numbers of each segment in case you want to look at specific areas in more detail. If you've already read the law- good for you, this will be familiar stuff. For those who haven't, we're providing a starting point to become more familiar.

If we're going to continue to debate the issues and determine whether we implement, repeal, or fix the ACA as it stands today, everyone should have a clear understanding of the issues and facts. We need to understand the starting point. We should all have an informed based from which we're making these critical decisions- they shouldn't be made based only on politics or emotions.

The world has changed. The stakes are higher than before.

We hope this helps provide a basis to keep an informed discussion going.

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*"Most have an opinion about the ACA but don't really know everything that is included in it. Most know what they don't like and are familiar with the talking-points from either side."*

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## Patient Protection and Affordable Care Act- A Summary and Cheat-Sheet

### A Very Brief Summary of Each Title of the Patient Protection and Affordable Care Act (ACA): As It Stands Today

#### ***Title I: Quality Affordable Health Care For All Americans (Pages 12-156)***

This is the section that is familiar to most. It includes many of the items implemented almost immediately including the elimination of lifetime limits on benefits, allowing children to remain on their parents health plan until age 26, establishment of high risk pools for those who cannot receive care, prevention coverage, eliminating insurance company unfair cancellation of coverage, and other items.

In addition, Title I establishes “minimum benefits” that can be sold or offered to employers and individuals and provides methods to help both employers and individuals pay for health insurance. There are many concerns here about both the structure and costs that could be involved. The Title also establishes pricing standards to assure health insurance companies are paying most of what they receive in premium for health care services and not retaining unreasonable amounts as profits.

This section shakes-up how we may be purchasing health insurance in the future by creating health insurance exchanges - or “insurance markets” in each state. Everybody is still trying to figure out how this might work.

Finally, Title I includes the infamous Section 1501 the Requirement to Maintain Minimum Essential Coverage (page 124). This is the item that says everyone needs to be in the game or pay a “penalty/fine” (or some say a tax; phased-in, \$750 per person as of 2016) The ACA assumes a large part of the 50 million people with no health insurance (estimated at 30 million) are going to now be part of the system if this is all going to work. This includes those who haven’t been able to purchase health insurance in the past because of pre-existing conditions as well as those who are healthy and don’t want to be part of the insurance system. As anyone who has worked in insurance knows- in order to anything- you need to know who you are insuring.

#### ***Title II: Role of Public Programs (pages 153-235)***

Title II primarily addresses Medicaid (the state/federal program) and the Children’s Health Insurance Program (CHIP). While expanding the number of people who will be eligible for the programs (a justifiable concern of the states with the potential costs), Title II also allocates a lot of money to try out some new ideas to make the programs more cost effective. The Title changes the way hospitals are paid and introduces the development of ways to measure quality, the ideas of using health care homes (medical homes), accountable care organizations, global payment arrangements, and integrated care as ways to organize and pay for care more efficiently for those using it.

#### ***Title III: Improving the Quality and Efficiency of Health Care (pages 235-420)***

This section is a big one and focuses on ways to improve the delivery and manage the increasing costs of Medicare. It is filled with research initiatives and new government functions responsible for improving the information available to make Medicare decisions. The fragmented approach we have created has limited the availability of collective information and the ability to create a coordinated approach for care delivery. In addition to requiring the development of a “national” health care quality strategy for Medicare the Title creates the Center for Medicare and Medicaid Innovation to coordinate new initiatives for payment and care delivery.

This segment also introduces many new delivery and payment models (value-based purchasing, readmission reduction programs, patient-centered medical homes, shared savings programs, payment bundling, accountable care organizations, independence at home, and others) to try and test for improving the delivery of care and cost

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*“Title I includes the infamous Section 1501; the Requirement to Maintain Minimum Essential Coverage (page 124).”*

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*It's not just whether you have health insurance any more- it's how you will pay for health care*

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*“Addressing the growing incidence of chronic disease in the population (cancer, heart, diabetes, obesity) is one of the major challenges facing health care in the future.”*

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*Supporting. . . . .*

program and begins to close the famous prescription-drug “donut hole” (the gap in coverage) for seniors.

***Title IV: Prevention of Chronic Disease and Improving Public Health (pages 420- 470)***

Addressing the growing incidence of chronic disease in the population (cancer, heart, diabetes, obesity) is one of the major challenges facing health care in the future.

Title IV is intended to provide tools and resources to improve access to preventive services and encourage community involvement in their delivery. The Title creates another oversight group (the National Prevention, Health Promotion, and Public Health Council) to coordinate the efforts and monitor progress for the country as a whole. This Title also added preventive services to Medicare beneficiaries in an effort to better manage chronic diseases or prevent them from becoming a clinical diagnosis in the first place.

The Title encourages community education and outreach, provides community transformation grants, encourages school-based health centers, and provides for a number of other initiatives regarding oral healthcare, childhood obesity, and others.

***Title V: Health Care Work Force (pages 470- 566)***

Title V addresses the need to maintain an accessible health care work-force for care delivery. We are projecting a shortage of primary care doctors in the country and the responsibilities of those delivering care will likely change as a result. This Title establishes yet another oversight group (National Healthcare Workforce Commission) to coordinate and execute the efforts. It provides grants to states to develop their health care workforce and provides incentives to students (through loans and repayment arrangements) to study in some of the shortage areas.

The Title also provides grants for “nurse-managed health clinics”, rural health clinics, medical homes, and establishes a National Health Service Corp with the intention of increasing the supply of health care practitioners available to communities. The segment also provides other grants to enhance education and training for specific specialties (geriatric/mental and behavioral) and community education grants to assist in consumer and community education efforts.

***Title VI: Transparency and Program Integrity (pages 566-686)***

This section is intended to improve the data and information available in health care to make appropriate and effective health care decisions. It addresses the ownership of clinics and their potential to self-refer as part of a business strategy instead of an effective health care decision. It requires additional reporting from nursing homes, skilled nursing, and long-term care facilities and establishes quality requirements for those delivering care. The section is attempting to strengthen the performance and accountability of this market.

Title VI has a lot of reporting requirements for physicians to improve documentation and justify referrals to high cost facilities. The Title also includes the Elder Justice Act to address abuse, neglect, and exploitation of the growing population of seniors in long-term care settings.

This portion makes a brief mention of the opportunity for malpractice reform to manage both the legal costs and defensive medicine practiced as a result of the system today but doesn’t go much further.

Title VI also includes one of the other famous (and misconstrued) descriptors of the legislation. Subtitle D, page 609 creates the Patient-Centered Outcomes Research Institute and introduces comparative effectiveness research as a way to measure the effectiveness of the treatments and procedures patients receive on a national scale (these are the “Death Panels” we’ve heard about). In reality, the idea is to gather and disseminate clinical information to patients, providers, health plans, employers, and others to improve the clinical decision-making in health care. A very small portion of the services we receive in health care have used some evidence-based method to prove they work. One of the goals of Title VI is to provide the resource to start measuring results better than we do today.

(continued from page 2)

**Title VII: Improving Access to Innovative Medical Therapies (pages 686-710)**

This section establishes a process where lower-cost, biologically equivalent products can enter the market in a reduced time than it takes today. The goal is to minimize the obstacles for allowing lower cost pharmaceuticals to enter the market while protecting brand name drugs for a period of time to allow companies to recoup the development investment required today. It also expands discounts for prescriptions for children and underserved communities that are available through an existing government program to other health care settings.

**Title VIII: The CLASS Act (pages 710-729)**

Title VIII establishes the Community Living Assistance Services and Support (CLASS) program; a voluntary, self-funded, long-term care and insurance program for individuals. While many of the details of the program are yet to be worked out, this section attempts to put long-term care on the agenda and recognize it as a growing health care issue for the future.

**Title IX: Revenue Provisions (pages 729-765)**

Title IX provides the details of how all of this is going to be paid and financed. When you look at it from the “30,000 foot level” paying for the ACA very simply a redistribution of the profits and money from where we are today (a major objection of the free-market purists). Most of these organizations have done very well thank-you.

The ACA is primarily funded by annual fees from pharmaceutical companies, medical device companies and health insurance companies. These organizations have traditionally benefited very well from their participation in the health care system (in both profits and stock price) and are being asked to contribute some of it to make the system work better. Yes, stockholders and investors don’t like it, but gets back to striking the balance between what profits are reasonable in a free market while maintaining a health care system that is sustainable for society in the future.

Title IX also includes additional taxes and fees on individuals who may be able to afford them right now. Again, the basic question is the right way to balance the rights of the individuals, with what may be needed to prevent the health care system from collapsing as a whole.

**Title X: Strengthening Quality, Affordable Health Care for all Americans (pages 765-906)**

Title X is primarily additional language and clarifications about some of the previous points.

So, there you have it.

We did our best to summarize almost 1000 pages. There is obviously a lot more to explore on your own. Even with the details, there are many questions:

- ✓ Is the PAC constitutional? We’ll see.
- ✓ Are there less expensive approaches? Probably
- ✓ Will this approach save money in the long run? Maybe
- ✓ Will Congress support the funding that will be required to make it happen? Don’t know.
- ✓ Will the PAC be repealed? Not sure.
- ✓ Will health care costs continue to increase if nothing is done? Absolutely

Health care has entered a whole new era. This is an era of innovation and change with an opportunity to fix what is wrong. We will be deciding whether we move forward with the approach provided in the ACA, fix the things that are wrong and make it more workable, or decide to repeal and start over.

All the while trying to avoid a quick entry into the next era- that of “survival”.

We won’t have many options if we get to that point.

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*“The ACA is primarily paid for by annual fees from pharmaceutical companies, medical device companies, and health insurance companies.”*

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..... And Opposed

## Other Web Sites To Stay Informed (in addition to ours)

A Few of the Sites We Use To Stay Informed:

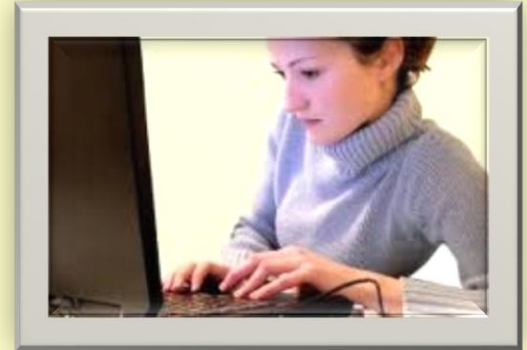
[www.healthreform.kff.org](http://www.healthreform.kff.org) (Kaiser Family Foundation)

[www.healthcare.gov](http://www.healthcare.gov) (the “federal” web site)

[www.healthreformreport.com](http://www.healthreformreport.com) (from the Center of Health Transformation)

[www.allhealth.org](http://www.allhealth.org) (the Alliance for Health Reform)

[www.heritage.org](http://www.heritage.org) (for the comments and opinions of the Heritage Foundation)



## Check Our Web Site, Our Partners, and Join Our Collaboration Health Network

Our goal is to help improve understanding of how health care works so we make the decisions to help it work better- for everyone. We've collected over 200 studies, essays, and articles from a variety of different and diverse places to provide an easy-to-use and balanced resource on a number of health care topics. We've designed it for consumers and professionals to use to develop an informed perspective of the issues and challenges facing health care today. Last year we logged over 25,000 sessions with over 10,000 downloads of our newsletters and information we posted.

Also check out our growing list of partners similarly committed to help improve the way health care works. From wellness programs, to claims technology, to on-site health and wellness clinics, to internet applications, to nutritional counseling; our partners provide the services that are going to be required for providers, consumers, employers, and other organizations to participate in the new health care landscape that is unfolding.

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### Something to Think About

“Unity, not uniformity, must be our aim. We attain unity only through variety. Differences must be integrated, not annihilated, nor absorbed.”

*Mary Parker Follett*

“The function of a man is not to attain an object, but to fulfill a purpose; not to accomplish, but to be accomplished.”

*S.E. Stanton*