

# C3: Colorectal Cancer Coalition

## Health Care Reform and You

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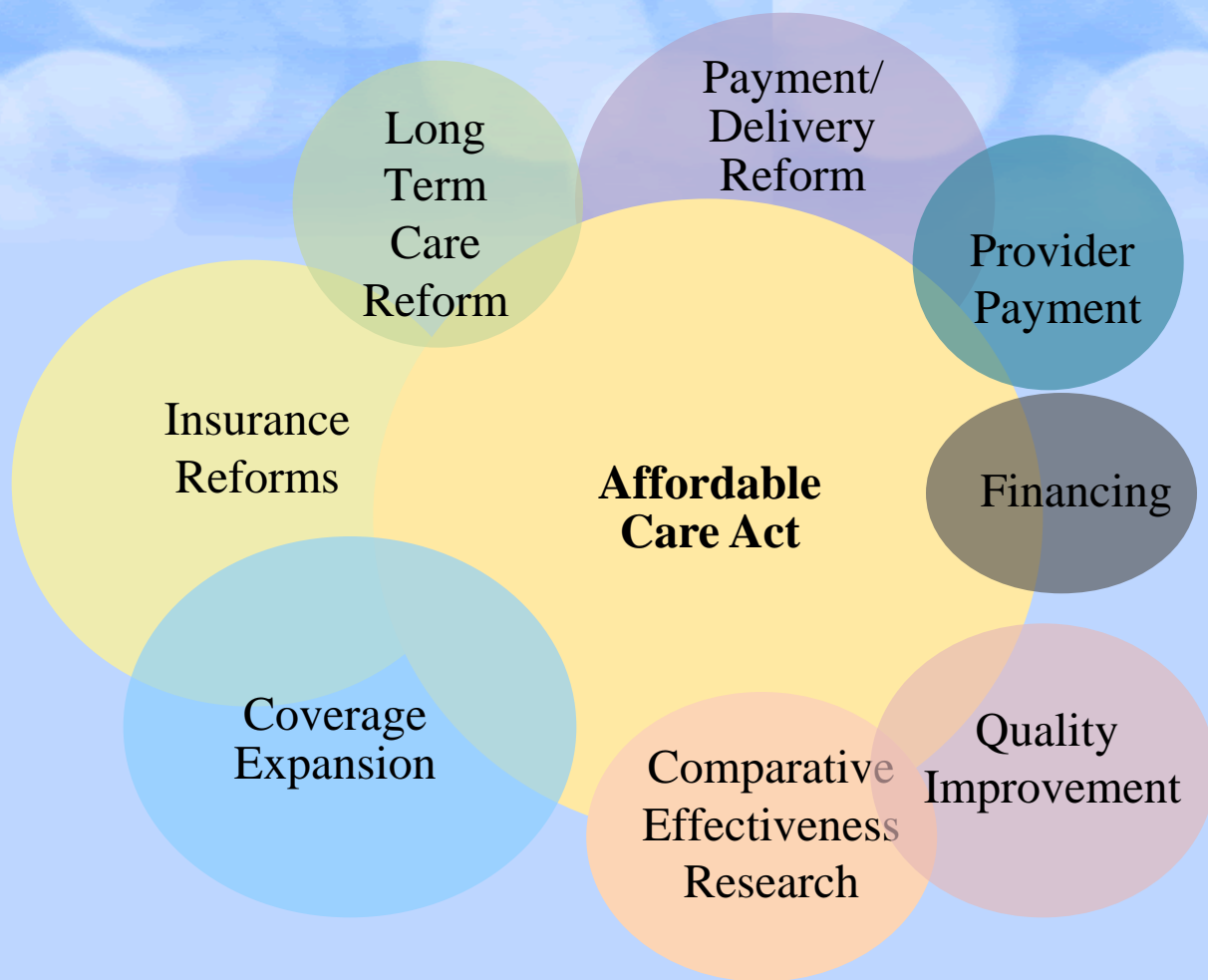
C3: Colorectal Cancer Coalition

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# C3: Colorectal Cancer Coalition

*Our mission is to win the fight  
against colorectal cancer  
through research, empowerment  
and access.*

# Health Care Reform and You



# Health Care Reform and You

## 3 Main Goals of Health Reform

- ◆ Make insurance more accessible.
- ◆ Improve benefits.
- ◆ Improve quality and reduce costs.

# Health Care Reform and You

## Timeline for Health Reform Implementation: Overview

Reform will unfold incrementally. Although some major elements of reform begin in 2010, others will be implemented over the course of several years. In 2014, the most substantial changes—including shared responsibility for coverage, expansion of Medicaid, insurance exchanges, and creation of an essential benefits package—will take effect.

**Early retirees:** A temporary reinsurance program will help offset the costs of expensive premiums for employers providing retiree health benefits.

**Coverage for young adults:** Parents will be able to keep their children on their health policies until they turn 26.

**Benefit disclosure:** Employers will be required to disclose the value of benefits provided for each employee's health insurance coverage on the employee's W-2 forms.

**New payment and delivery approaches:** A new Center for Medicare and Medicaid Innovation will test reforms that reward providers for quality of care rather than volume of services. Medicare will increase payment for primary care physicians by 10 percent for primary care services.

**CLASS Act:** A national, voluntary insurance program for purchasing community living assistance services and support (CLASS) will be established. All working adults will be automatically enrolled—unless they opt out—through payroll deductions that, after five years, will qualify them for monthly payments toward services to help them stay at home should they become disabled.

**Access to care:** Funding will be increased by \$11 billion over five years for community health centers and the National Health Services Corps to serve more low-income and uninsured people.

**"Doughnut hole" rebates:** Medicare will provide \$250 rebates to beneficiaries who hit the Part D prescription drug coverage gap known as the "doughnut hole."

**Small-business tax credits:** Small businesses (25 or fewer employees and average wages under \$50,000) that offer health care benefits will be eligible for tax credits of up to 35 percent of their premium costs for two years.

**Administrative simplification:** Health insurers must follow administrative simplification standards for electronic exchange of health information to reduce paperwork and administrative costs.

**Medicare value-based purchasing:** Medicare will reward hospitals that provide higher quality or better patient outcomes.

**Shared responsibility for coverage:** Individuals will be required to carry health insurance, and employers with 50 or more workers will be required to offer health benefits or be subject to a fine of \$2,000 per employee (not counting the first 30 employees) if any worker receives governmental assistance with premiums through the insurance exchanges.

**Insurance industry fee:** Insurers will pay an annual fee, based on market share, to help pay for reform.

**New rules for insurers:** Insurers will be banned from restricting coverage or basing premiums on health status. Annual, in addition to lifetime, limits on benefits are banned.

**Premium subsidies:** Premium and cost-sharing assistance on a sliding scale will make coverage affordable for families with annual incomes between \$30,000 and \$88,000 that buy plans through the exchanges.

**Medicare managed care plans:** Four- and five-star Medicare private plans will receive 5 percent bonuses as a reward for providing better clinical quality and patient experiences.

**High-cost insurance plans:** Insurers will face a 40 percent excise tax on policies with premiums over \$10,200 for individuals or \$27,500 for family coverage.

2010

2011

2012

2013

2014

2018

**High-risk pool:** People with preexisting conditions who have been uninsured for at least six months will have access to affordable insurance through a temporary, subsidized high-risk pool. Premiums will be based on the average health status of a standard population. Annual out-of-pocket costs will be capped at \$5,950 for individuals and \$11,900 for families.

**Annual review of premium increases:** Health insurers will be required to submit justification for unreasonable premium increases to the federal and relevant state governments before they take effect, and to report the share of premiums spent on nonmedical costs.

**New insurance rules:** Insurance companies will be banned from rescinding people's coverage when they get sick, and from imposing lifetime caps on coverage. Restrictions will be placed on annual limits.

**Protection for children:** Insurers can no longer deny health coverage to children with preexisting conditions or exclude their conditions from coverage.

**Preventive care:** All new group and individual health plans will be required to provide free preventive care for proven preventive services. In 2011, Medicare also will provide free preventive care.

**Pharmaceutical manufacturer fee:** An annual, nondeductible fee will be imposed on pharmaceuticals and importers' branded drugs, based on market share.

**OTC drug reimbursement restrictions:** Over-the-counter drugs not prescribed by a doctor will no longer be reimbursable through flexible spending accounts or health reimbursement arrangements, or on a tax-free basis in health savings accounts.

**Physician quality reporting:** Medicare will launch a Physician Compare Web site where beneficiaries can compare measures of physician quality and patient experience.

**"Doughnut hole" discounts:** Medicare beneficiaries in the Part D prescription drug coverage "doughnut hole" will receive 50 percent discounts on all brand-name drugs. By 2020, the "doughnut hole" coverage gap will be closed.

**Premium share spending:** Health plans in the large-group market that spend less than 85 percent of their premiums on medical care, and plans in the small-group and individual markets that spend less than 80 percent on medical care, will be required to offer rebates to enrollees.

**Flexible spending limits:** Contributions to flexible spending accounts (FSAs) will be limited to \$2,500 a year, indexed to the Consumer Price Index (CPI).

**Insurance exchanges:** New state-based marketplaces will offer small businesses and people without employer coverage a choice of affordable health plans that meet new essential benefit standards.

**Essential benefits package:** The Department of Health and Human Services will establish an essential standard benefits package for policies sold in the exchanges and individual and small-group markets with a choice among tiers of plans (bronze, silver, gold, and platinum) that have different levels of cost-sharing.

**Independent payment advisory board:** A new independent payment advisory board within the executive branch will work to identify areas of waste and federal budget savings in Medicare. The board's recommendations must not ration care, raise taxes, or change Medicare benefits, eligibility, or cost-sharing.

**Medicaid expansion:** Medicaid eligibility will be expanded to all legal residents with incomes up to 133 percent of the federal poverty level. Currently, states have different—and in many cases very low—eligibility thresholds, and most states do not cover adults without children.

*Timeline from the Commonwealth Fund (April 2010).*

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**2010**

- ◆ Prohibition Against Rescissions.
- ◆ Prohibition Against Lifetime Benefit Caps.
- ◆ High-Risk Pool Plans (called “New Pre-Existing Condition Insurance Plan (PCIP)” by HHS).

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## Pre-Existing Condition Insurance Plan (PCIP)”

- ◆ To enroll, must have pre-existing medical condition and have been uninsured for 6 months or longer.
- ◆ Application:  
<http://www.pcip.gov/Apply.html>

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## HHS Web Portal

◆ [www.healthcare.gov](http://www.healthcare.gov)

The screenshot shows the HealthCare.gov website homepage. At the top, it says "HealthCare.gov" with the tagline "Take health care into your own hands". Navigation links include "Newroom" and "Implementation Center". A search bar is in the top right. Below the header, there are several menu items: "Find Insurance Options", "Learn About Prevention", "Compare Care Quality", "Understand the New Law", and "Information for You". The main content area features a large banner titled "Your Health Care, Explained" with a photo of a man and a list of categories: "Families with Children", "Individuals", "People with Disabilities", "Seniors", "Young Adults", and "Employers". To the left of the banner is a section titled "Explore your coverage options" with a "Pick Your State" button. Below the banner, there are three featured articles: "New Pre-Existing Condition Insurance Plan", "Health Care Providers", and "Let's get started, (that's) the first step in getting your health care reform program that will help you get control of your health". At the bottom, there are three columns of "TOP 5 THINGS TO KNOW", "HEALTHCARE NOTES", and "NEWS & CHATS".

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## 2010 (cont'd)

- ◆ Medicaid Expansion.
- ◆ Review of Premium Increases.
- ◆ “Donut Hole” Rebates.
- ◆ Preventive Care.
- ◆ Comparative Effectiveness Research.

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## Donut Hole Rebates

- ◆ Seniors will receive their check at usual address – don't have to take any extra steps.
- ◆ **NEVER give out your personal information. Contact 1-800-MEDICARE to report suspected fraud and abuse.**

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**2011**

- ◆ “Donut Hole” Discounts.
- ◆ Long-Term Care Insurance.

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**2013**

◆ **Health Care Choice Compacts.**

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## 2014

- ◆ Insurance Market Reforms.
- ◆ State Insurance Exchanges.
- ◆ Qualified Health Plans.
- ◆ Essential Benefits Package.

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## 2014 (cont'd)

- ◆ Clinical Trials Coverage.
- ◆ Premium Subsidies.
- ◆ Limits on Out-of-Pocket Expenses.
- ◆ Medicaid Expansion.
- ◆ Individual Mandate.

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- ◆ The Affordable Care Act makes policy changes to remove financial barriers to CRC screening and treatment, but additional barriers remain.

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- ◆ Health Care Reform Covers CRC Screening For:
  - ◆ Newly Eligible Medicaid Beneficiaries (by 1/1/2014).
  - ◆ Anyone Insured Through the New Exchange (by 1/1/2014)
  - ◆ Anyone Insured in a New Plan Outside the Exchange (starting 9/23/2010).

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- ◆ Financial Barriers to CRC Screening Remain For:
  - ◆ Traditional Medicaid
  - ◆ Insured in a “Grandfathered” Plan
  - ◆ Uninsured

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## Vehicles for Engagement

- ◆ During implementation, numerous opportunities exist for patients to help shape policy.

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## Comparative Effectiveness Research

- PCORI Board of Governors
- Methodology Committee
- Expert Advisory Panels

## Quality Improvement

- Cures Acceleration Network Review Board
- National Healthcare Workforce Commission

## New Payment and Delivery Models

- Independent Payment Advisory Board
- IPAB Consumer Advisory Council

## Long-Term Care

- CLASS Independence Advisory Board
- CLASS Independence Fund Board of Trustees

## Prevention and Wellness

- Advisory Group on Prevention, Health Promotion, and Integrative and Public Health
- Community Preventive Services Task Force

## Coverage Expansion

- Advisory Board for Multi-state Plans

# Health Care Reform and You

- ◆ Questions, or want to get involved?  
[Advocacy@FightCRC.org](mailto:Advocacy@FightCRC.org)
- ◆ Follow C3's blog at  
<http://link.fightcrc.org/policynews>
- ◆ Follow us on Twitter @CRCAdvocacy