Post-Election Perspectives, Possibilities and Predictions for Health Reform and Reducing Diabetes Disparities

Tuesday, November 13, 2012
4:00 – 5:00 pm ET

Sponsored by The Merck Company Foundation
Welcome and Introductions

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National Program Office for the Alliance to Reduce Disparities in Diabetes

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Project Hope

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George Washington University School of Public Health and Health Services
Agenda

• About the Alliance
• A Look at the Election Outcomes
• The Future of Health Reform – Rollout or Repeal?
• Possibilities for Addressing Diabetes Disparities in the New Health Reform Environment
• Audience Q&A
• Predictions for 2013
• Closing
The Alliance to Reduce Disparities in Diabetes aims to change the outlook for those who experience the worst outcomes.

- National program launched and supported by The Merck Company Foundation

- Located in five communities across the country since 2009
  - Camden, NJ
  - Southside of Chicago, IL
  - Dallas, TX
  - Wind River Indian Reservation, WY
  - Memphis, TN

- Multi-faceted, evidence-based programs designed to reduce disparities and improve diabetes care and outcomes for those who are most burdened by or at risk for the disease
The Alliance Aims to Reduce Disparities in Diabetes Outcomes by Supporting:

- Evidence-based, community-focused interventions
- Efforts to ensure that successful programs and services are sustained in policy and practice
- Collaboration with key stakeholders at the national level through local levels to achieve policy and system change that reduces inequities in care and outcomes
Health Policy in the 2012 Election Aftermath
Coming into the 2012 Election: The Choice

**The Affordable Care Act**
- Medicaid expansions
- Premium subsidies
- Insurance mandate
- Insurance reforms
- Exchanges/state funding
- Payment reform (ACOs, health homes)
- Quality improvements
- Access and public health investments
- Long term care

**Deficit Reduction**
- ACA $ investments
- Medicaid reform
- Medicare reform
- Tax changes
- Discretionary spending cuts

Obama + Democratic Senate

Obama + Republican Congress; Romney and Democratic Senate

Romney + Republican Congress
Senate Election 2012

Source: HuffPost Politics Election Results, http://elections.huffingtonpost.com/2012/results/senate
The Election’s Meaning for Health Policy

ACA implementation proceeds although modification possible
- Medicaid expansions
- Premium subsidies and cost-sharing assistance
- Exchange implementation
- Payment reforms and system re-design
- Primary care expansion and public health investments

The federal programs and policies revised as part of the Affordable Care Act may be further restructured but that restructuring will preserve insurance expansion and market reform
- Medicaid
- Medicare
- Premium tax subsidy policies, including recoupment
- Federal funding for ACA implementation, including state grants
Medicaid & Medicare: Possible Fiscal Cliff Scenarios

<table>
<thead>
<tr>
<th>Medicaid</th>
<th>Medicare</th>
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<tr>
<td>• Per capita cap&lt;br&gt;• Eligibility streamlining&lt;br&gt;• Benefit re-design – EHBs&lt;br&gt;• Payment re-design (DSH, FQHC payment rules)&lt;br&gt;• Annual enrollment periods&lt;br&gt;• Secondary Medicaid eligibility for persons with disabilities&lt;br&gt;• Exchange market alignment options: MCOs and QHPs</td>
<td>• Further payment reforms (ACOs and medical homes) as well as restructured physician payment system tied to clinical and financial integration&lt;br&gt;• Further health care institutional payment reductions&lt;br&gt;• Other spending reductions&lt;br&gt;• Higher premiums and cost sharing&lt;br&gt;• Greater incentives to move into global payment arrangements</td>
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Possible ACA “Fixes” as Part of a Broader Budget Agreement

- More flexible implementation timeline
- State Medicaid expansion options as a result of NFIB
- State Medicaid benefit, cost sharing and payment flexibility
- Medicaid as secondary payer for beneficiaries with disabilities whose incomes exceed the Exchange threshold
- Greater state flexibility in relation to SHOP exchanges (plan administration functions, not only marketing and enrollment)
Legislative Pathways to the Grand Bargain

Reconciliation

- Simple majority in Senate
- Strict legislative process rules that preclude amendments that do not affect spending or taxes

Normal legislative process

- Supermajority needed to pass legislation
- Vehicle for altering individual and employer mandates and insurance reforms (already implemented; those that take effect in 2014)

A “legislative stay” with broader negotiations to follow
HHS Implementation: Issues to Watch

- Federally Facilitated Exchanges: Implementing Regulations
- Essential Health Benefits: Implementing Regulations
- Medicaid Eligibility And Aligned Enrollment Portal: Final Regulations
- Basic Health Program: Conditions of Participation
Party Composition of State Governors, 2013

Alabama, Alaska, Arizona, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Louisiana, Maine, Michigan, Mississippi, Nebraska, Nevada, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Wisconsin, Wyoming

Arkansas, California, Colorado, Connecticut, Delaware, Hawaii, Illinois, Kentucky, Maryland, Massachusetts, Minnesota, Missouri, Montana, New Hampshire, New York, Oregon, Vermont, Washington, West Virginia

Independent: Rhode Island
ACA State Implementation: Issues to Watch

Medicaid Implementation

- Partial or full eligibility
- Integrated enrollment
- Integrated COP for QHPs and Medicaid MCOs
- Medicaid beneficiaries with incomes > Exchange threshold
- Payment reform and system transformation both generally and for safety net (including DSH policies)
- Dual enrollee transformation
ACA State Implementation Issues to Watch

Exchanges

• How will states decide? (State administered, partnership, federally facilitated)
• State administered/partnership decisions
  • QHP standards
  • Active vs. passive purchasers
  • Navigator selection
• Access and essential community provider standards
• Exchange as exclusive individual/small group market
25 states have selected benchmarks

Insurance Reform and EHB

Basic Health Plans
## Health Referenda, 2012 Ballot

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<tr>
<th>Ballot Measures</th>
<th>Summary</th>
<th>Result</th>
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<tr>
<td>Alabama Health Care Amendment</td>
<td>Prohibits mandatory participation in any health care system</td>
<td>Yes (59.52%)</td>
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<tr>
<td>Alabama Medicaid Amendment</td>
<td>Authorizes transfer of $ from oil/gas trust fund to state Medicaid budget</td>
<td>Yes (64%)</td>
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<td>Florida Health Care</td>
<td>Prevents any laws/rules from compelling any person /employer to purchase/obtain/provide health care coverage</td>
<td>No (51.4%)</td>
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<tr>
<td>Louisiana Medicaid Trust Fund</td>
<td>Protects state Medicaid trust fund from budget cuts</td>
<td>Yes (70.8%)</td>
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<td>Michigan Home Health Care Amendment</td>
<td>Places features of the Michigan Quality Community Care Council in the state constitution</td>
<td>No (57%)</td>
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<td>Missouri Health Care Exchange Question</td>
<td>Prohibits the establishment/creation/operation of a health insurance exchange unless created by a legislative act/ballot initiative /veto referendum</td>
<td>Yes (61.8%)</td>
</tr>
<tr>
<td>Montana Health Care Measure</td>
<td>Allows residents to decide if they want health insurance or not</td>
<td>Yes (66.8%)</td>
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<td>Wyoming Health Care Amendment</td>
<td>Prohibits federal and state laws from compelling any person/employer/provider to participate in any health care system</td>
<td>Yes (76.9%)</td>
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Status of Exchange Implementation

What’s Ahead: Possibilities for Addressing Diabetes
Policy Considerations from the Alliance

Leverage Local Learnings to Address Health System, Provider and Patient Needs

• Designed to overcome the systemic and structural barriers to providing effective diabetes care to those most in need

• Considerations pose a series of questions surrounding the need to realign financial incentives affecting health systems, providers and patients

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<thead>
<tr>
<th>Addressing Health System Needs</th>
<th>Addressing Provider Needs</th>
<th>Addressing Patient Needs</th>
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<tr>
<td>• Encourage Greater Integration of Public Health and Health Care Systems</td>
<td>• Optimize ACOs ‘Abilities to Reduce Disparities</td>
<td>• Enhance Diabetes Self-Management Supports</td>
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<td>• Share and Report Community-Wide Health Data</td>
<td>• Support Deployment of Community Health Workers</td>
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<td>• Eliminate Incentives that Encourage Underinvestment in Low-Income, High-Risk Patients</td>
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### Addressing Health System Needs

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<tr>
<th>Core Concept</th>
<th>Encourage greater integration of public health and health care systems</th>
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<tbody>
<tr>
<td>Policy Consideration</td>
<td>In what ways could public health be better integrated with health care systems to increase communication and care coordination for people at risk of or living with diabetes?</td>
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<th>Core Concept</th>
<th>Share and report community-wide health data</th>
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<td>Policy Consideration</td>
<td>What types of incentives or regulatory requirements are needed to prompt health systems to a) share timely patient data and b) consistently collect and report health data by race and ethnicity?</td>
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<th>Core Concept</th>
<th>Eliminate incentives that encourage underinvestment in low-income, high-risk patients</th>
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<td>Policy Consideration</td>
<td>Although current law and regulations have safeguards against financial incentives that encourage under-investment in health care for low-income, at-risk patients, how can those safeguards be further strengthened and what steps can be taken to improve the ability to monitor their effectiveness?</td>
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### Addressing Provider Needs

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<tr>
<th>Core Concept</th>
<th>Optimize Accountable Care Organizations’ (ACOs) abilities to reduce disparities</th>
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<tbody>
<tr>
<td>Policy Consideration</td>
<td>Given increasing health care costs and the importance of coordinating care for the most at-risk patients with diabetes, how can ACOs be structured and utilized to reduce disparities in diabetes?</td>
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<th>Core Concept</th>
<th>Support deployment of Community Health Workers (CHWs)</th>
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<td>Policy Consideration</td>
<td>Given the important role CHWs play in reaching underserved, high-risk populations, how can coverage for these services be expanded?</td>
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# Addressing Patient Needs

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<th>Enhance diabetes self-management supports</th>
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<td>Policy Consideration</td>
<td>How could coverage for diabetes self-management education and supports be expanded by insurers?</td>
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Predictions for 2013
Visit Us Online:
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