The Affordable Care Act

Understanding the Affordable Care Act’s Impact on Your Members with Down syndrome

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Michael Bare,
Research and Program Coordinator

Project for Health Insurance Exchange Education (PHIXE)
Where We’ll End Up
March 2010
The Haves and Have Nots
Government Programs

- Insured
- Uninsured

Government Programs
TRICARE for Military

Uninsured

Government Programs

Insured

TRICARE Military
VA for Veterans

- Government Programs
  - Insured
  - Uninsured
  - TRICARE
    - Military
  - VA
    - Some Veterans
Medicare for Seniors

Uninsured

Insured

Government Programs

TRICARE
Military

VA
Some Veterans

Medicare
Seniors and SSI

COMMUNITY ADVOCATES
Where Meeting Basic Needs Inspires Hope
Public Policy Institute

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Medicaid and CHIP for Children and Low-Income Adults

Uninsured

Insured

Government Programs

- TRICARE
  - Military
- VA
  - Some Veterans
- Medicare
  - Seniors and SRHI
- Medicaid and CHIP
  - Low Income and SSI
Individual Market

Government Programs

- Uninsured
- Insured
- Private Coverage
  - Individuals and Self-Employed
- TRICARE Military
- VA Some Veterans
- Medicare Seniors and SSI
- Medicaid and CHIP Low Income and SSI
Small Group Market

Uninsured

Government Programs

TRICARE
Military

VA
Some Veterans

Medicare
Seniors and SSI

Medicaid and CHIP
Low Income and SSI

Insured

Individuals and Self-Employed

Small Groups

Private Coverage
Large Group Market

- TRICARE
  - Military
- VA
  - Some Veterans
- Medicare
  - Seniors and SSI
- Medicaid and CHIP
  - Low Income and SSI

- Insured
- Government Programs
  - Individuals and Self-Employed
    - Small Groups
    - Large Groups
  - Uninsured
Insured Products

Uninsured

Government Programs

Insured

Private Coverage

Individuals and Self-Employed

Small Groups

Large Groups

Medicaid and CHIP
Low Income and SSI

Medicare
Seniors and SSNI

VA
Some Veterans

TRICARE
Military

Insured Products

HMOs
PPOs
FFS
Self-Insured Employers
Providers
Uninsured Are Expensive!
Before the ACA
With the ACA, Uninsured Shrinks
Cost Burden Greatly Diminishes

Government Programs

Insured

Private Coverage

Individuals and Self-Employed

Small Groups

Large Groups

Medicaid and CHIP

TRICARE

Military

VA

Some Veterans

Medicare

Seniors and
KSHD

Providers

MDs

Hospitals

Rx Drugs

Addiction

Mental Health
etc.

Insured Products

HMOs

PPOs

FFS

Self-Insured

Employers

Uninsured

Status Quo System

PPACA System
Some Are Exempt
Grandfathered Plans
Basic Health Plan for 134% to 200% of FPL

Exempt

Uninsured

Government Programs

TRICARE
Military

VA
Some Veterans

Medicare
Seniors and
SSDI

Medicaid and CHIP
up to 133% of FPL and SSI

Basic Health Plan

Insured

Private Coverage

Individuals and Self-Employed

Small Groups

Large Groups

Providers

Insured Products
HMOs
PPOs
FFS
Grain-fathered Plans

Self-Insured Employers

Status Quo System

PPACA System
Small Group Exchange
States Can Merge the Two
States Can Include Large Groups in 2017
Establishment Options

State Law

Executive Order

Federal “Takeover”
Authority Options:

1. **State-Based**
   - States can choose to create their own exchanges with a state law or “rule,” and seek funding from the federal government.
   - States can designate a governmental agency to facilitate the exchange, or establish a non-profit entity; and
   - The authority must have a governing board with strict conflict of interest protections.

2. **Federally-Facilitated**
   - If a state chooses not to create exchanges, the federal government will facilitate them (Details TBD).
   - The federal government can designate a non-profit or operate the exchange itself.

1. **Partnerships**
   - States can enter into partnerships with the federal government to operate the exchange.
Exchange Authority Must:

1. Consult during the design, implementation, and operational phases of the exchange with six types of stakeholders;

2. Certify, re-certify, and de-certify qualified health plans;

3. Designate navigators in compliance with ACA;

4. Establish enrollment procedures (online portal, phone help line, and a path for agents and brokers)
Subsidies within Exchanges

Generally, individuals with incomes between 100% and 400% of the FPL will be eligible for subsidies within the exchange.

Calculator: [http://healthreform.kff.org/SubsidyCalculator.aspx](http://healthreform.kff.org/SubsidyCalculator.aspx)
Businesses with up to 25 employees (50 employees beginning in 2014) that offer insurance and pay wages below $50,000 can claim a tax credit of up to 35% of the cost of insurance.
Where We Left Off
Essential Health Benefits

Insured

Private Coverage

Government Programs

Uninsured

Exempt

TRICARE Military

VA Some Veterans

Medicare Seniors and SSDI

Medicaid and CHIP

Basic Health Plan

Individuals and Self-Employed

American Health Benefit Exchange

Merge?

SHOP Exchange

Small Groups

Large Groups

Insured Products

HMOs PPOs FFS

Grandfathered Plans

Self-Insured Employers

Providers

MDs Hospitals Rx Drugs Addiction Mental Health etc.

Status Quo System

PPACA System

Essential Health Benefits
Expanded Coverage Package

Essential Health Benefits Package:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including oral and vision care
ACA Changes to the Status Quo
What Does it All Mean?
Dramatic Drop in Uninsured

• 32 million Americans will gain coverage

Source: Congressional Budget Office
Wisconsin Sources of Coverage without ACA in 2016

2016 Health Coverage without ACA

- Private Insurance: 3,650,000
- Public Insurance (Non-Medicare): 700,000
- Uninsured: 520,000

Source: Gruber Report
Wisconsin Sources of Coverage with ACA

2016 Health Coverage with ACA

- **Private Insurance**: 3,810,000
- **Public Insurance (Non-Medicare)**: 870,000
- **Uninsured**: -340,000 people
- **Total Wisconsinites**: +160,000 people

Source: Gruber Report
Dramatic Drop in Uninsured: WI

- 340,000 will gain coverage

Coverage Sources of Newly Insured

- Employer-Sponsored Private Insurance: 110,000
- Subsidized Exchange: 90,000
- Public Insurance: 130,000
- Unsubsidized Exchange: 20,000

Source: Gruber Report

Essential Health Benefits Apply
Ends long-standing abuses and discrimination by insurance industry:

- Bans lifetime and annual limits on coverage;
- Ends rescissions of coverage;
- A process for appealing insurance company decisions;
- Ban on discrimination because of pre-existing condition.
Free Preventive Care

New provisions:
• First dollar coverage of all preventive care in Medicaid, Medicare and new plans.
Mmm... Doughnuts

New provisions:
• $250 Medicare Part D “Donut Hole” Rebate
Young Adult Coverage

New provisions:
• Kids can stay on parents’ insurance until turning 26.
Timeline

March 23, 2010: ACA signed by President Obama

June 28, 2012: Supreme Court decision upholding ACA

November 6, 2012: Presidential election

Now: Fiscal Cliff negotiations, federally-facilitated exchange planning, state budget debate on Medicaid expansion

October-December, 2013: Federally-facilitated exchanges begin operations

January 1, 2014: Exchange will be fully operational, Medicaid expansion could begin
Thank you!

Please feel free to contact me:

Community Advocates Public Policy Institute
728 North James Lovell Street, Milwaukee, WI 53233

Michael Bare, Research and Program Coordinator
mbare@communityadvocates.net, 920.242.1639