

ACA 101

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for
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The ACA Promotes Expanded Health Coverage

Figure 1

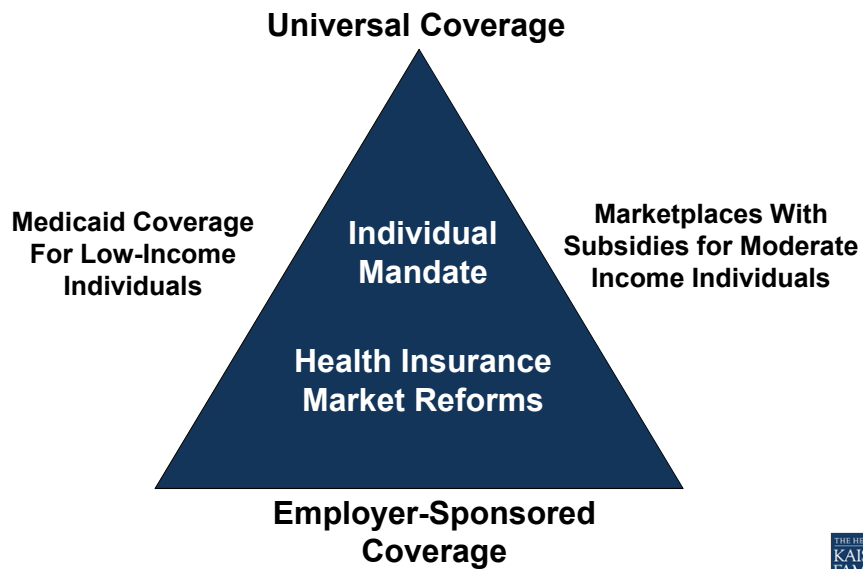
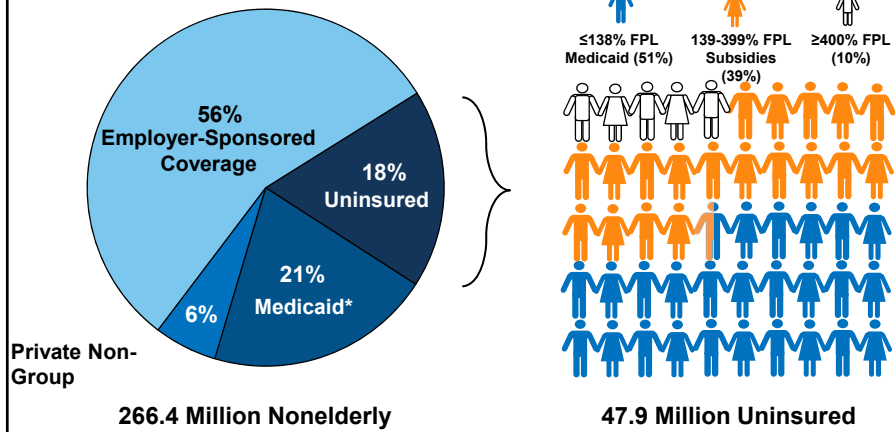


Figure 2

Many Uninsured Will Be Newly Eligible for Coverage

Health Insurance Coverage of the Nonelderly, 2011

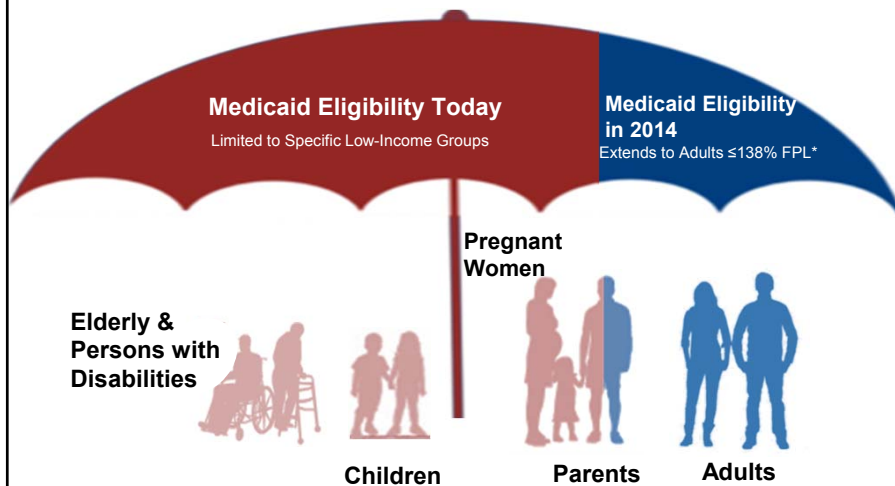


*Medicaid also includes other public programs: CHIP, other state programs, Medicare and military-related coverage. The federal poverty level for a family of three in 2011 was \$18,530. Numbers may not add to 100% due to rounding. SOURCE: KCMU/Urban Institute analysis of 2012 ASEC Supplement to the CPS.



Figure 3

ACA Medicaid Expansion Fills Current Gaps in Coverage

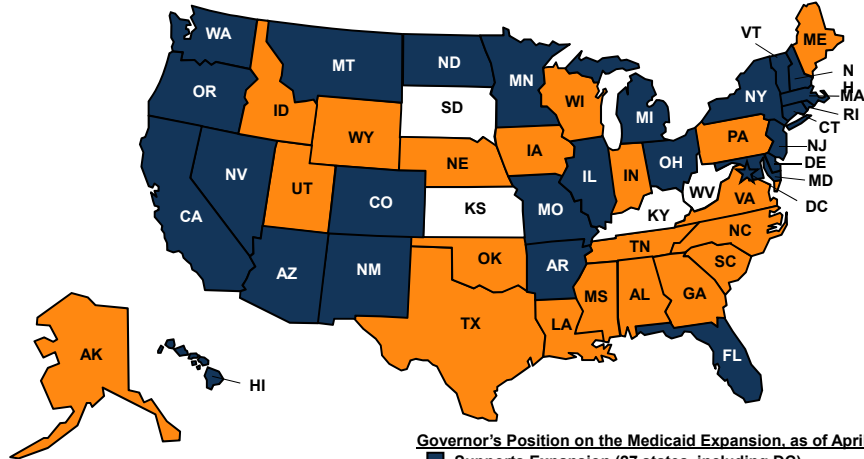


*138% FPL = \$15,856 for an individual and \$26,951 for a family of three in 2013.



Governors Are Making Decisions about the Medicaid Expansion

Figure 4



Governor's Position on the Medicaid Expansion, as of April 16, 2013

- Supports Expansion (27 states, including DC)
- Opposes Expansion (20 states)
- Weighing Options (4 states)

SOURCE: Based on a KCMU review of State of the State addresses, FY 2014 budgets proposals, as well as other public statements made by the Governor.



Health Insurance Marketplaces Will Facilitate Enrollment into Coverage by Individuals and Small Employers

Figure 5

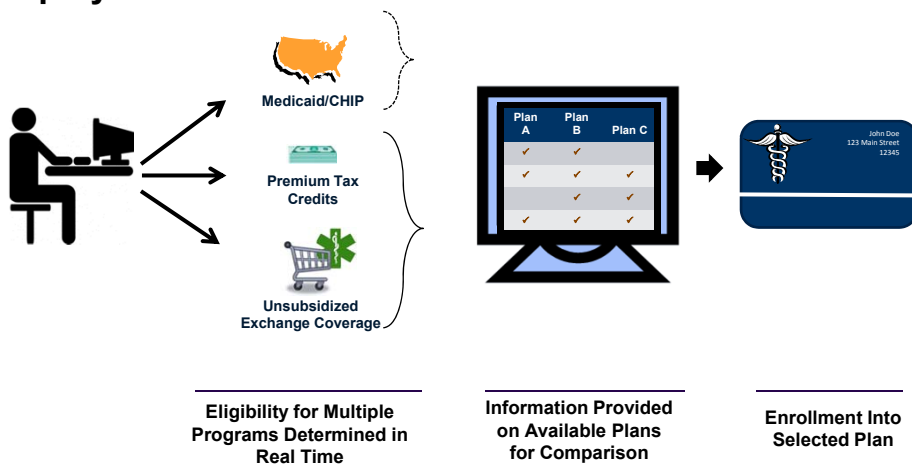
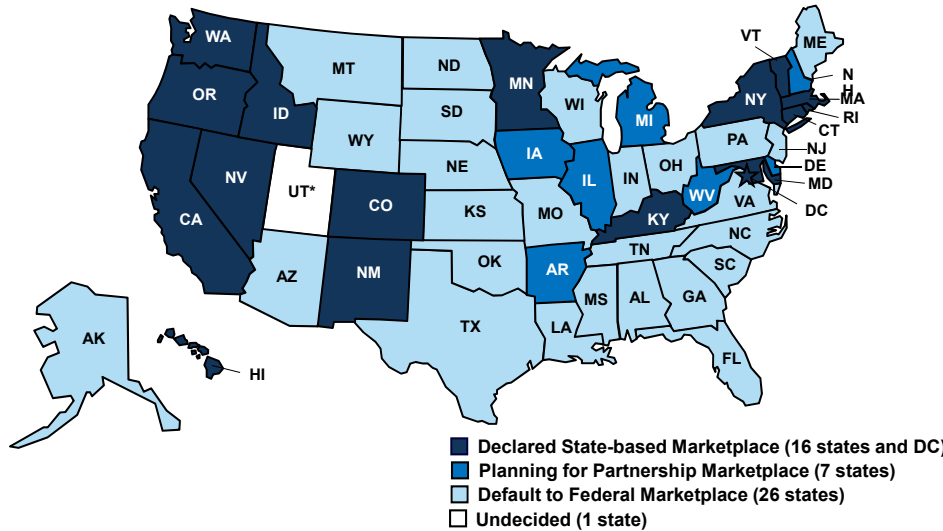


Figure 6

States Have Made Their Decisions For Creating Health Insurance Marketplaces



* Although Utah received conditional approval to run a state-based marketplace, the state has since submitted a proposal to HHS requesting approval for the state to run only the SHOP marketplace and have the federal government run the individual marketplace. HHS has not yet responded to the request.



Figure 7

The ACA Includes Strategies to Improve Access to Care and Health Care Quality

- **Reform provisions addressing access and payment**
 - Increased Medicare and Medicaid payments for primary care
 - Strengthening community health centers
 - Promoting coordinated primary care through health homes
 - Emphasis on prevention
 - Health workforce development
- **CMS Innovation Center created to facilitate delivery system reforms**
 - Accountable Care Organizations
 - Bundled payments for care improvement
 - Reducing avoidable hospital readmissions
 - Paying providers based on quality



Figure 8

Coverage Provisions in the ACA Are Financed through Federal Savings and New Revenues

When passed, the ACA was projected to save \$124 billion to the federal budget over ten years. Cost and savings projections are updated annually.

Medicare Savings

- Reductions in payments to managed care plans and providers
- Reductions in uncompensated care payments
- Independent Payment Advisory Board to limit spending
- Innovation Center to test strategies for reducing costs and improving quality

New Revenues

- New taxes on health insurers, drug makers, medical devices, and indoor tanning services
- Increase in Medicare tax for those with highest income
- Individual and employer penalties
- Tax on high cost health plans (2018)



Figure 9

Looking Ahead to 2014

- **Open enrollment for coverage through Marketplaces starts October 1, 2013.** Coverage begins January 1, 2014 and much work remains to be done by states and the federal government to ensure Marketplaces are ready.
- **States face the decision on whether to adopt the Medicaid Expansion.** States can implement the Medicaid Expansion beginning January 1, 2014; however, states can opt in or out of the expansion at any time.
- **Integrated enrollment process for Medicaid, CHIP, and Marketplace coverage.** Coordination with Marketplaces will be important for providing “no wrong door” to coverage and preventing coverage gaps. The ACA will simplify and streamline the Medicaid enrollment experience, regardless of state decisions to expand.
- **Consumer assistance will be essential to ensure people get enrolled into coverage.** Marketing and outreach efforts will be critical to ensuring people learn about coverage and on-the-ground assistance will be needed to help people enroll.

