

## The Patient Protection & Affordable Care Act: Implications for Social Work Practice

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## Victoria M. Rizzo, Ph.D., LCSW-R



Dr. Rizzo has used her extensive social work practice in health care experience to examine the impact of social work interventions on older adults coping with chronic illnesses, elder abuse, and the demands of informal caregiving. She is partnering with the Jewish Association for Services to the Aged in NYC to conduct research focused on the provision of social work services to older adults participating in JASA sponsored programs.

## Program Objectives

The specific objectives of this webinar are to:

- 1) Provide an overview of the main components of the Affordable Care Act (ACA)
- 2) Identify & discuss the implications of ACA for social work practice with specific attention given to long term care social work

## Part I - What is ACA?

- ▶ Why do we need health care reform?
- ▶ How did we get here?
- ▶ What are the main provisions of ACA?
- ▶ What has happened so far?

### Why do we need health care reform?

- ✓ 47 million people are uninsured
- ✓ #1 reason for bankruptcy in the U.S. is catastrophic medical crises
- ✓ Costs of health care are escalating
- ✓ U.S. has the most expensive health care system in the world, but ranks 37<sup>th</sup> in overall health (World Health Organization)
- ✓ Population of older adults (65+ years of age) will double to 70 million by 2030
- ✓ System is fragmented; focused on acute care versus prevention
- ✓ And . . . .?

### How did we get here?

- ✓ 1930 – first prepaid hospital plan (Baylor Hospital)
- ✓ 1930's – Roosevelt's New Deal (health care excluded)
- ✓ 1940's – employer based insurance
- ✓ 1960's – most people covered by employers
- ✓ 1965 – Titles XVIII (Medicare) & XIX (Medicaid) of the Social Security Act
- ✓ 1973 – HMO Act
- ✓ 1990's – Clinton Health Care Reform Fails
- ✓ 2010 – Passage of ACA, also known as Obamacare

### ACA: Goals

- 1) Expand Coverage: Insure 32 million people by 2014
  - \* Health Insurance Exchanges (HIEs)
  - \* Medicaid Expansion (133% of federal poverty line)
- 2) Control Health Care Costs
  - \* Will cost \$938 billion
  - \* Reduce deficit by \$124 billion
  - \* Decrease drug costs (Medicare Part D donut hole closed by 2020; beneficiaries save \$5, 000)

### ACA: Goals

- ✓ Improve Health Care Delivery System
  - \*Patient Centered Outcomes Research Institute (PCORI) – comparative effectiveness research
  - \*Centers for Medicare/Medicaid Innovation (CMMI) – accountable care organizations, patient-centered medical homes, care coordination

### ACA: Coverage Provisions

- ✓ Individual mandate – U.S. citizens are required to purchase health insurance beginning in 2014 or pay a fine
  - \*Fine –1% of income or \$95 dollars, which ever is greater, increasing to 2.5% of income or \$695 in 2016.
  - \*It is estimated that 3.9 million people will pay the fine in 2016
  - \* Individuals up to 400% of FPL will be eligible for subsidies (2% to 9.5% of income) to assist them in buying health insurance coverage (\$88, 200 for a family of 4 in 2009)

### ACA: Coverage Provisions

- ✓ Expansion of Public Programs – Medicaid eligibility expanded to 133% of FPL
  - \*U.S. Supreme court rules in June 2012 that states cannot be mandated to participate in Medicaid expansion under ACA; Mandate is unconstitutional because it causes states undue burden
  - \*Currently, 27 states support expansion; 19 oppose it; and 5 states are weighing options

### ACA: Coverage Provisions

- ✓ Health Insurance Exchanges (HIEs)
  - \*Individuals without employer-based insurance, or who do not qualify for Medicaid, can buy from private insurers through state level HIEs
  - \*States can choose to set up their own exchanges OR have the federal government set up the exchanges for them
  - \* 17 states and Washington DC have set up their own exchanges; 27 states have defaulted to federal exchange; and 6 states are planning exchanges
  - \* Insurers in the HIEs must offer 4 different plans: at lowest level (bronze) must cover 60% of medical costs; at highest level (platinum) must cover 90%.

### ACA: Coverage Provisions

#### ✓ Changes to Private Insurance

##### Six months after enactment

- \* Insurers required to offer and renew coverage for any applicant (guaranteed issue)
- \* Coverage of children to the age of 26
- \* Prohibit rescissions of coverage and eliminate waiting periods greater than 90 days
- \* Cannot deny children coverage due to pre-existing conditions

##### In 2012

First insurance rebates to individuals: insurance companies required to return premiums to enrollees if they do not spend 80 - 85 cents of every premium dollar on health care costs— not overhead/profit

##### In 2014

- \* Cannot deny coverage based on pre-existing conditions
- \* Elimination of annual and lifetime limits
- \* Inclusion of 10 essential health benefits in all plans: ambulatory services; emergency services; pediatric services (oral & dental); hospitalization; maternity/newborn care; prescription drugs; rehabilitation/habilitation services and devices; lab services; preventive/wellness services/chronic disease management; mental health & substance use disorders, including behavioral health treatment

## ACA: Provisions

Who is left out?

Immigrants and undocumented immigrants

## What has happened so far?

- ✓U.S. Supreme Court ruled that the individual mandate is constitutional
- ✓Insurance companies pull out of child only market
- ✓Corporations ask for waivers (i.e., McDonalds)
- ✓CLASS ACT seen as unaffordable and will not be implemented
- ✓Over-the-counter drugs are excluded from medical savings plans
- ✓10% tax imposed on indoor tanning services
- ✓Health insurance premium rebates estimated at 1.3 billion for 2012
- ✓Hospitals prepare for readmission penalties

## What has happened so far?

- ✓ Small businesses get extension for individual mandate
- ✓ Corporations do not have to comply with individual mandate until 2015
- ✓ Open enrollment for individual mandate begins October 1, 2014

## What will happen on 01 /01 /2014?

**“The Youtoons get ready for Obama Care”**

**<http://kff.org/health-reform/video/youtoons-obamacare-video/>**

## Part II: What are the implications of ACA for social work?

Three opportunities are presented for social work in ACA:

- 1) Patient navigation - need to enroll all eligible people
  - \* need streamlined process for Medicaid, SCHIP, HIE premium credits
  - \*states are required to set up navigator programs through HIEs- social workers have the skills
  - \*programs focused on populations we serve-uninsured/underinsured

## Part II: What are the implications of ACA for social work?

- 2) Care Coordination - Patient-centered medical homes (PCMH) and accountable care organizations (ACOs)
  - \*final rule on ACOs does not include social work
  - \* inclusion in PCMH dependent on reimbursement structures
  - \*need research to show our worth—still very much lacking
  - \*transitions in Care

## Part II: What are the implications of ACA for social work?

3) Behavioral Health Treatment – 30 million people will gain coverage for behavioral health services

\*will trigger significant demand for services

\*MAGI population higher rates of behavioral health issues when compared to others

\*social work needs to adapt to Medicaid as big payer; cultivate strong ties with state Medicaid agencies

## Part II: Transitions in Care

✓ Section 3026 of ACA

✓ The Community-based Care Transitions Program

(<http://innovation.cms.gov/initiatives/CCTP/?itemID=CMS1239313>) provides direct funding to community-based organizations to provide transition services for high risk Medicare beneficiaries discharged from acute care hospitals.

## Resources

Council on Social Work Education. *Patient Protection and Affordable Care Act of 2010: A Resource Guide for Social Workers.*

[www.cswe.org](http://www.cswe.org)

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

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*Thank you.*

A recording of this webinar is available through the **National Nursing Home Social Work Network** website:

<http://clas.uiowa.edu/socialwork/nursing-home/webinars>