

ACP Seeks Changes to Health Care Reform Law

Plans include lobbying Congress to expand rate hike eligibility among primary care physicians.

BY MARY ELLEN SCHNEIDER

FROM THE ANNUAL MEETING OF THE
AMERICAN COLLEGE OF PHYSICIANS

TORONTO — The massive health care reform overhaul passed by Congress this year is here to stay, but officials at the American College of Physicians are hoping that Congress will make some modifications to improve the law for physicians.

At the top of the organization's wish list are changes to the Independent Payment Advisory Board (IPAB) created by the law, making permanent the boost in primary care payment rates under Medicare and Medicaid, and eliminating newly created penalties for failing to report quality data to Medicare.

"Health care reform is an ongoing journey. It's not a destination," Robert B. Doherty, the ACP's senior vice president for governmental affairs and public policy, said at the meeting.

The ACP's plan is to influence how the law is implemented by offering comments as federal regulations are written and as states roll out provisions in the law. States will have a major role in implementation, Mr. Doherty said, since they are responsible for setting up their own health insurance exchanges in 2014 and awarding competitive grants to fund primary care programs. And as with other large federal programs, it's likely that Congress will pass additional legislation to amend the law as implementation moves along, he said.

The ACP's issue with the IPAB is that it vests too much power in an unelected body. The 15-member board, created by the Affordable Care Act, is charged with presenting proposals to Congress that would slow the growth of Medicare and private health care spending and improve the quality of care. The recommendations of the IPAB would take effect unless Congress votes to reject the proposals and in favor of its own plan for achieving the same level of savings. The IPAB is expected to submit its first recommendation to Congress in 2015.

The ACP also hopes that Congress will act to make permanent the temporary increases in primary care payments enacted under the law. For example, the health care reform law provides a 10% bonus payment to primary care physicians whose Medicare charges for office, nursing home, and home visits make up at least 60% of their total Medicare charges. Those payments will be available for 5 years, starting in 2011. The law also increases Medicaid payments up to the level of Medicare payments for primary care physicians delivering primary care services in 2013 and 2014.

Mr. Doherty said that although the law's payment provisions are time limited, he thinks it will be difficult for Congress to take this benefit away once it is in effect. ACP officials also plan to lobby Congress to expand the eligibility for these increased payments so that more primary care physicians can qualify.

The new law also extends the Medicare Physician Quality Reporting Initiative, which offers incentive payments for successful reporting of quality measures.

Under the law, physicians can receive 1% bonus payments on Medicare charges in 2011 and 0.5% bonuses in 2012-2014. Starting in 2015, however, physicians who fail to report quality measures will receive a 1.5% cut in their Medicare reimbursement. That penalty will rise to 2% in 2016. Mr. Doherty said the ACP is seeking to eliminate the penalties outlined in the law.

One provision missing from the final health care reform package was a permanent fix to the Medicare physician payment formula, or sustainable growth rate (SGR). At the time, it was not politically feasible to get an SGR fix included in the reform legislation. However, Mr. Doherty said he expects that there will be a vote in the Senate on permanent repeal of the SGR this year.

The challenge, he said, will be to round up 60 votes in the Senate, where fiscal conservatives

want to see a method to pay for the \$200 billion price tag of an SGR fix. Mr. Doherty argues that the SGR fix would not be a "real cost," because it assumes that Congress would otherwise let the cuts happen each year.

In the meantime, the ACP, the American Medical Association, and other physician organizations have stopped helping lawmakers round up the votes needed for short-term fixes, instead opting to lobby only in favor of a permanent fix to the formula. "The only acceptable option is total repeal," Mr. Doherty said.

The ACP also is launching a "nuts and bolts" educational campaign to help physicians and their patients better understand how the law will actually work. ■

According to the ACP, the Independent Payment Advisory Board created by the health reform law places too much power in an unelected body.

Most Uninsured Young Adults to Be Covered Under New Law

BY JANE ANDERSON

Health reform could benefit young adults more than any other uninsured group, expanding coverage to almost all 13.7 million of them through a combination of insurance reforms, subsidies, and Medicaid expansion, according to a new report from the Commonwealth Fund released May 21.

Provisions of the Affordable Care Act that extend coverage of young adults as dependents to age 26 years probably will cover about 1.2 million of that population by the end of 2011. Extending Medicaid eligibility could provide coverage to another 7.1 million young people, beginning in 2014, the Commonwealth Fund report said.

Further, combining premium subsidies with opportunities to purchase coverage via a health insurance exchange will provide the remaining uninsured young adults—defined by the report as aged 19-29 years—a chance to obtain affordable coverage beginning in 2014.

"The benefit of the Affordable Care Act of 2010 for young adults cannot be overstated," Sara Collins, Ph.D., lead author of the report, said during a press briefing. "All told, the provisions have the potential to cover 13.7 million young

adults," or the same number that were uninsured in 2008.

However, that figure probably underestimates the current number of uninsured young adults, since unemployment has risen dramatically in that population since 2008.

Health care costs represent a significant

problem for this group, whether or not they are insured, according to the report. A total of 76% of uninsured young adults and 37% of those with insurance went without needed care in 2009 because of its cost, the report said. One-third of all uninsured young people and 46% of those both uninsured and with chronic health problems reported that their health declined because they delayed getting medical care.

In addition in 2009, 60% of young adults without insurance had trouble paying medical bills, compared with 27% of their insured peers, the report indicated.

Medical debt also is a problem, the report found, with 11.3 million young people paying off medical debt. Half of those had asked family for financial help, while 39% said they were unable to meet other financial obligations such as student loans because of their medical debt.

More than half of the 13.7 million uninsured young adults are in families with incomes that will make them newly eligible for Medicaid under the health care reform law. Another 30% are in families whose incomes will qualify them for health insurance premium subsidies so they will not have to spend more than 3%-8% of their income on health insurance premiums. And 12% live in families whose incomes will qualify them for health insurance—premium subsidies so they won't have to spend more than 9.5% of their income on premiums, the Commonwealth Fund study found.

Fewer than 1 million uninsured young adults are expected to have incomes too high to qualify for premium assistance, the study authors said.

Many of those who will become newly insured through the law's provisions probably will seek care from primary care physicians rather than getting free care from emergency departments, noted Dr. Collins, the Commonwealth Fund's vice president for affordable health insurance. This has the potential to help primary care physicians because

"these people will be coming in with insurance cards" that will cover much of their care.

"A lot of people have been getting free care," she said. "Now, providers will be reimbursed for care."

It's not clear whether the new law will lead to a significant shortage of primary care physicians to care for the influx of patients, but Dr. Collins said that the law authorizes a significant increase in funding for community health centers, which could take up some of the slack.

The report, "Rite of Passage: Young Adults and the Affordable Care Act of 2010," was based on federal health insurance data and a national telephone survey of 2,002 young adults. ■

VITALS

Major Finding: About half of uninsured young adults will get health insurance coverage by 2014, and most others in that group will be eligible for premium subsidies under the new health insurance reform law, which may enable them to seek needed care and alleviate debt.

Data Source: Commonwealth Fund Survey of Young Adults, 2009

Disclosures: None.

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