Affordable Care Act
Opportunities for the Aging Network

The Affordable Care Act (ACA) offers many opportunities for the Aging Network to be full partners in health system reform. These include demonstration projects and expanded partnerships in the following areas:

- Payment reform
- Quality
- Delivery system redesign

There are ten titles in the ACA and the Network has the potential, either directly through AoA or independently of AoA, to play a significant role the implementation of the law. Titles include:

- Title I. Quality, Affordable Health Care for All Americans
- Title II. The Role of Public Programs
- Title III. Improving the Quality and Efficiency of Health Care
- Title IV. Prevention of Chronic Disease and Improving Public Health
- Title V. Health Care Workforce
- Title VI. Transparency and Program Integrity
- Title VII. Improving Access to Innovative Medical Therapies
- Title VIII. Community Living Assistance Services and Supports Act (CLASS Act)
- Title IX. Revenue Provisions
- Title X. Reauthorization of the Indian Health Care Improvement Act

The following document breaks down provisions of the ACA that could impact the Network.

Overview by Titles:
Most of the health insurance reform provisions are articulated in **Title I** of the law. The non-health insurance reform dimensions of the health reform law can be found primarily in Titles II-VIII. These Titles capture major groups in provisions of delivery system reform, new investments, quality improvement initiatives and other provisions.

Title II: Role of Public Programs: This Title contains a series of initiatives that aim to drive improvement in delivery and quality of care by making changes in the context of the Medicare and Medicaid programs. This includes a set of provisions aimed at strengthening home- and community-based care for people with chronic diseases, disabilities and older Americans. This can be accomplished through a mix of changes in infrastructure (e.g., Aging and Disability Resource Centers (ADRCs)); altering payment arrangements (e.g., Money Follows the Person); and addressing longstanding program barriers to community living.

- **Sec. 2401 Community First Choice Option**
  Starting October 1, 2011 - Establishes a new State plan option in Medicaid to provide community-based attendant supports and services to individuals with disabilities. States that choose to use the Community First Choice option will receive a 6-percent increase in the Federal Medicaid match rate (available 10/1/2011-9/30-2015) for associated costs, pending States' compliance with certain statutory requirements. In addition to attendant services and supports to assist in accomplishing activities of daily living, States implementing this option may provide limited services to transition an eligible individual into the community, such as utility deposits and basic supplies.

- **Sec. 2402 Removal of Barriers To Providing Home And Community-Based Services**
  Expands services available to individuals who qualify for the HCBS under the existing state plan option. Before the ACA, the statute authorized only a limited number of services that could be included in the benefit, and expressly denied CMS the authority to allow States to include certain services that CMS can approve for HCBS waivers. The law removes the limitation on CMS authority and allows states to include, subject to CMS approval, additional services beyond the ones specifically identified in the statute.

- **Sec. 2403 Money Follows the Person Rebalancing Demonstration**
  Extends demonstration through 2016 and modifies eligibility rules to reduce the amount of time required for an individual to remain in an inpatient facility from 6 months to 90 days. Note: MFP Solicitation link below*:*
  https://www.cms.gov/CommunityServices/Downloads/MFP2011SolicitationFinalJuly29RH.pdf

- **Sec. 2405 Funding to expand State Aging and Disability Resource Centers** FY 2010-2014, appropriated to the

Secretary of Health and Human Services, acting through the Assistant Secretary for Aging, $10,000,000 for each of fiscal years 2010 through 2014 for ADRCs
Note: The first $10 m is focused on Options Counseling.

- **Sec. 2602 Providing Federal coverage and payment coordination for dual eligible Beneficiaries**
  Establishes a Federal Coordinated Health Care Office (FCHCO) for Duals in CMS and consolidates agency staff to more effectively integrate Medicare and Medicaid benefits and improve coordination between the Federal Government and States to provide duals full access to services.

- **Sec. 2703 State option to provide health homes for enrollees with chronic conditions**
  Creates, as of January 1, 2011, a State option in Medicaid allowing beneficiaries with or at risk of multiple chronic conditions to designate a qualified provider or team as their health home, providing comprehensive, coordinated health care. To qualify as a health home, providers or teams must meet and report on quality standards and measures. Team-based health homes may include a variety of professionals and may be organized virtually or based at a specific site (e.g., hospital, rural clinic, etc.). States electing the option get a temporary increase to Federal matching for relevant services.

- **Sec. 2704 Demonstration Project to Evaluate Integrated Care Around a Hospitalization**
  This establishes a demonstration project, in up to eight States, to study the use of bundled payments for hospital and physician services under Medicaid.

Title III: Improving the Quality and Efficiency of health Care: These provisions range from a set of new public quality reports (long-term care hospitals and hospice programs), to payment adjustments for hospital acquired infections. This Title also includes a strategic approach to quality improvement including the development of a strategy, the production of new quality measures and expanded data collection on quality.

- **Sec. 3021 Establishment of Center for Medicare and Medicaid Innovation within CMS**
  The purpose of this provision is to test innovative payment and service delivery models to promote quality and efficiency. It provides the Secretary flexibility to pilot and implement innovative Medicare payment model using a variety of models, including medical homes.

- **Sec. 3022 Medicare Shared Savings Program**
  The purpose of this program is to reward Accountable Care Organizations (ACOs) that take responsibility for the costs and quality of care received by their patients over time. Savings are shared between the ACO and the Medicare program.

- **Sec. 3024 Independence at home demonstration program**
  This provision authorizes the Secretary to conduct a demonstration to test a payment incentive and service delivery model that utilizes physician and nurse practitioner directed home-based primary care teams designed to reduce expenditures and improve health outcomes.

- **Sec. 3025 Hospital readmissions reduction program**
  Beginning in FY2013, this provision would adjust payments for hospitals paid under the inpatient prospective payment system based on the ratio of each hospital's payments for potentially preventable Medicare readmissions relative to payments for all discharges for the three conditions with risk adjusted readmission measures that are currently endorsed by the National Quality Forum. It also, provides the Secretary authority to expand the policy to include additional conditions in future years and directs the Secretary to calculate and make publicly available information on all patient hospital readmission rates for certain conditions.

- **Sec. 3026. Community-Based Care Transitions Program**
  This provision authorizes the Secretary to establish a Community-Based Care Transitions Program under which the Secretary provides funding to eligible entities that furnish improved care transition services to high-risk Medicare beneficiaries. Priority will be given to programs administered by AoA and those that provide services to medically underserved populations, small communities, and rural areas.

- **Sec 3301 Medicare coverage gap discount program**
  Requires drug manufacturers to provide a 50 percent discount to Part D beneficiaries for brand-name drugs and biologics purchased in the coverage gap beginning January 1, 2011 in order for manufacturers' drugs to be covered under Medicare Part D. In addition, Medicare will begin providing additional coverage for brand and generic drugs in 2013 and 2011, respectively, so that by 2020 the donut hole will be closed.

- **Sec. 3306 Funding outreach and assistance for low-income programs**
  $15 million is appropriated to CMS for fiscal years 2010 through 2012 for SHIPS. $15 million is appropriated to AoA for Area Agencies on Aging for fiscal years 2010 through 2012. $10 million is appropriated to AoA for additional Funding For Aging And Disability Resource Centers for fiscal years 2010 through 2012. $5 million additional funding to AoA for a Contract With The National Center For Benefits And Outreach Enrollment for the period of fiscal years 2010 through 2012.

  The Secretary may request that an entity awarded a grant under this section support the conduct of outreach activities aimed at preventing disease and promoting wellness.

- **Sec. 3309 Elimination of cost sharing for certain dual eligible individuals**
  No earlier than January 1, 2012, eliminates Part D cost sharing for people receiving care under a home and community based waiver who would otherwise require institutional care.

- **Sec. 3502 Establishing community health teams to support the patient-centered medical home**
  Secretary shall establish a program to provide grants to or enter into contracts with eligible entities to establish community-based interdisciplinary, inter-professional teams to support primary care practices. Grants or contracts shall be used 3 to (1) establish health teams to provide support services to primary care providers; and (2) provide capitated payments to primary care providers as determined by the Secretary.

- **Sec. 3503 Medication management services in treatment of chronic disease**
  The Secretary, acting through the Patient Safety Research Center, shall establish a program to provide grants or contracts to eligible entities to implement medication management services provided by licensed pharmacists, as a collaborative, multidisciplinary, inter-professional approach to the treatment of chronic diseases to targeted individuals, to improve the quality of care and reduce overall cost in the treatment of diseases.

Title IV: Prevention of Chronic Disease and Improving Public Health: Includes new initiatives focused on health promotion and disease prevention. These include efforts to modernize public health systems that are geared to disease prevention. Several efforts at improved education and training in disease prevention are specified. In addition, there are several interventions

aimed at lowering programmatic barriers to prevention and early intervention within the Medicare and Medicaid programs.

- **Sec. 4002 Prevention and Public Health Fund**
  The Affordable Care Act creates a new Prevention and Public Health Fund designed to expand and sustain the necessary infrastructure to prevent disease, detect it early, and manage conditions before they become severe. This new initiative will increase the national investment in prevention and public health, improve health, and enhance health care quality.

- **Sec. 4103 Medicare coverage of annual wellness visit providing a personalized prevention plan**
  Provides Medicare coverage, with no co-payment or deductible, for an annual wellness visit and personalized prevention plan services. The personalized prevention plan would take into account the findings of the health risk assessment and include elements such as: a five- to ten-year screening schedule; a list of identified risk factors and conditions and a strategy to address them; health advice and referral to education and preventive counseling or community-based interventions to address modifiable risk factors such as physical activity, smoking, and nutrition. The Secretary shall establish procedures to make beneficiaries and providers aware of the requirement that a beneficiary complete a health risk assessment prior to or at the same time as receiving personalized prevention plan services.

- **Sec. 4108 Incentives for prevention of chronic diseases in Medicaid**
  No later than January 1, 2011, this provision requires the Secretary to provide grants to States to offer incentives to Medicaid enrollees who successfully complete healthy lifestyle programs and demonstrate changes in health risk and outcomes.

  The provision sets forth outreach, education, evaluation, and reporting requirements for the Secretary and States receiving awards.

Title V: Health Care Workforce: Includes polices aimed at assuring an adequate high quality health care work force. This is accomplished through training programs for health professionals, support for existing health care workers, new efforts to improve the training of primary care providers and creating financial incentives to expand the supply of people entering key health

professions (nurses, allied health professionals, children's mental health, and those trained in public health readiness).

The Administration allocated half of the new Prevention and Public Health fund for fiscal year 2010 – $250 million –to boost the supply of primary care providers in this country by providing new resources for:

- **Sec. 5301 Primary Care Training and Enhancement.** Training more than 500 new primary care physicians by 2015; and supporting the development of more than 600 new physician assistants, who practice medicine as members of a team with their supervising physician, and can be trained in a shorter period of time compared to physicians;

- **Sec. 5308. Advanced Nursing Education Grants:** Train an additional 600 nurse practitioners, including providing incentives for part-time students to become full-time and complete their education sooner. Nurse practitioners provide comprehensive primary care;

- **Sec. 5208. Nurse-Managed Health Clinics:** Support the operation of 10 nurse-managed health clinics which assist in the training of nurse practitioners. These clinics are staffed by nurse practitioners, which provide comprehensive primary health care services to populations living in medically underserved communities.

- **Sec. 5102. State Health Care Workforce Development Grants:** Help States to plan and implement innovative strategies to expand their primary care workforce by 10 to 25 percent over ten years to meet increased demand for primary care services.

Title VI: Transparency and Program Integrity: Specific efforts include those aimed at improving nursing home transparency. These include expanded accountability standards, new quality measurement initiatives and greater ease in making complaints. The Title also includes the Elder Justice Act and a set of provisions aimed at improving Medicare and Medicaid program integrity.

- **Sec. 6101 Required disclosure of ownership and additional disclosable parties information**
  Nursing home disclosure requirements apply to each member of the governing body of the facility, including the name, title, and period of service of each such member; each person or entity who is an officer, director, member, partner, trustee, or managing employee of the facility, including the name, title, and period of service of each such person or entity; and each person or entity who is an additional disclosable party of the facility.

Discloser to the Secretary, the Inspector General of the Department of Health and Human Services, the State in which the facility is located, and the State long-term care ombudsman in the case where the Secretary, the Inspector General, the State, or the State long term care ombudsman requests such information.

- **Sec. 6103/6105 Nursing Home Compare Medicare website/Standardized Complaint form**
  The Secretary shall ensure that the Department of Health and Human Services includes, as part of Nursing Home Compare website: Staffing data for each facility (including resident census data and data on the hours of care provided per resident per day) including information on staffing turnover and tenure; links to State Internet websites with information regarding State survey and certification programs, links to State inspection reports, information to guide consumers in how to interpret and understand such reports, and the facility plan of correction or other response to reports; The standardized complaint form developed (Sec 6105) including explanatory material on what complaint forms are, how they are used, and how to file a complaint with the State survey and certification program and the State long-term care ombudsman program; Summary information on the number, type, severity, and outcome of substantiated complaints; and the number of adjudicated instances of criminal violations by a facility or the employees of a facility.

Title VIII: CLASS Act: Community Living Assistance Services and Supports Act ("The CLASS Act")

- **Sec. 8001-8006**: Establishes a national voluntary insurance program to provide resources to purchase community living services (e.g. home modifications, assistive technologies, help with activities of daily living and home health services) for people that experience significant functional limitations; enrollment open to all individuals who meet employment requirements; no medical underwriting; eligibility for benefits contingent on five year vesting and federal determination that individual meets functional disability standards; pays benefits of at least $50 per day, unlimited duration; and, CLASS is the first payer for individuals who also receive Medicaid benefits.

Title X: Strengthening the Quality, Affordable Health Care for All Americans: contains a variety of different programs and provisions. Of particular note are provisions to improve Indian Health Care, promote home and

community-based services, and the establishment of collaborative networks for quality improvement and innovation.

- **Sec. 10221. Indian Health Care Improvement** A bill to amend the Indian Health Care Improvement Act to revise and extend that Act

- **Sec. 10323: Medicare Coverage for Individuals Exposed to Environmental Health Hazards:** Provides health care, either through Medicare coverage or a pilot program to persons asbestos related illness who reside in Libby, Montana, and a screening program to individuals exposed to environmental health hazard to which an emergency declaration applies.