

Patient Protection and Affordable Care Act: The Institution, Policy and Politics of Medicaid Expansion



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Discussion Question

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Is access to health care a right or privilege?

Institution

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- Health
 - Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity (WHO)
 - Health is personal
 - Health is complex
 - The policies and politics of health is an institution.
 - ✦ Economics
 - ✦ Infrastructure

Institution

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- Economics of Health in Mississippi
 - Study of Mississippi Hospitals (2012) findings:
 - ✦ \$11.9 billion total impact on the state economy
 - ✦ 60,143 full time job equivalent employees (5.7% of total statewide employment). Hospitals also created an additional 34,557 jobs outside of their facilities.
 - ✦ Payrolls and benefits totaled \$3.2 billion per year (with a total economic impact of \$5.8 billion)

Institutions

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- **Infrastructure of Health in Mississippi**
 - 4.4 hospital beds per 1,000 population; national average 2.6 (2010)
 - 17.3 physicians in patient care per 10,000 population; national average 25.7 (2008)
 - 54.3% of population living in a Primary Care Health Professional Shortage Area (HPSA); national average 19.1% (2012)
 - 159 practitioners needed to remove HPSA
 - 430 practitioners needed to achieve target population-to-practitioner ratio

Institution

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- The question becomes.....

How do we begin to fundamentally shift the institution of health care nationally and in Mississippi?

Patient Protection and Affordable Care Act



- Patient Protection and Affordable Care Act (ACA) enacted March 2010
 - Most significant advancement in health care policy since the passage of Medicare and Medicaid
- ACA seeks to address the issues of access to care and rising cost of health care and health insurance
 - Coverage Expansions
 - ✦ Medicaid
 - ✦ Health Insurance Exchanges
 - Health Insurance Reform
 - Health Care Delivery System Changes
 - Prevention/Public Health Initiatives

Health Reform Implementation Timeline



2010

- Some insurance market changes—no cost-sharing for preventive services, dependent coverage to age 26, no lifetime caps
- Pre-existing condition insurance plan
- Small business tax credits
- Premium review

2011-2013

- No cost-sharing for preventive services in Medicare and Medicaid
- Increased payments for primary care
- Reduced payments for Medicare providers and health plans
- New delivery system models in Medicare and Medicaid
- Tax changes and new health industry fees

2014

- Medicaid expansion
- Health Insurance Exchanges
- Premium subsidies
- Insurance market rules—prohibition on denying coverage or charging more to those who are sick, standardized benefits
- Individual mandate
- Employer requirements

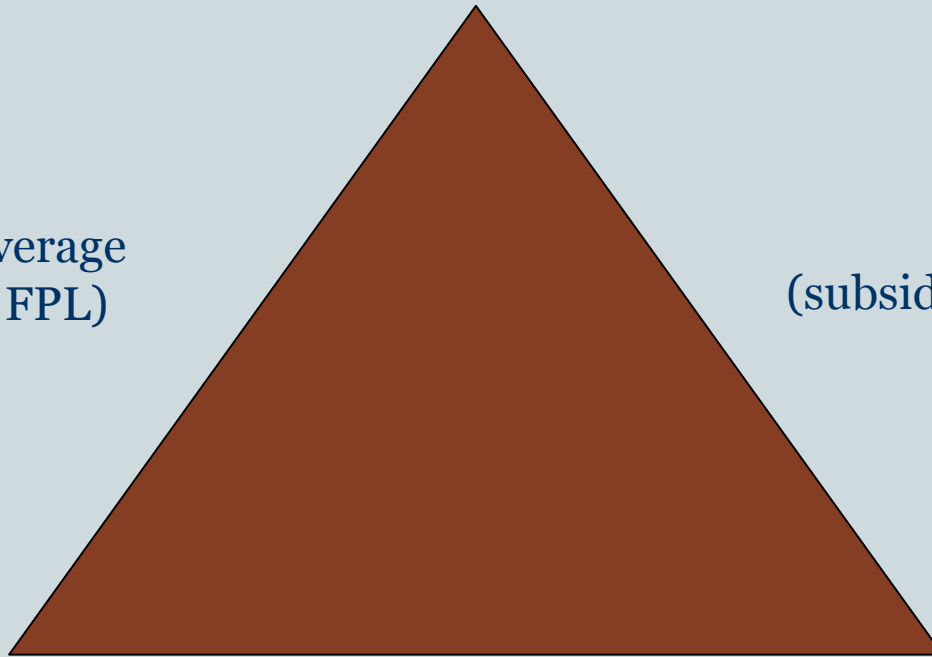
Promoting Health Coverage



Health Insurance Coverage

Medicaid Coverage
(up to 133% FPL)

Exchanges
(subsidies 133-400% FPL)



Employer-Sponsored Coverage

Supreme Court Ruling

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- Individual Mandate
- Medicaid Expansion
 - ACA pre-Supreme Court ruling
 - ACA post-Supreme Court Ruling
 - State opt-in

Medicaid Expansion: Statistics

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- There has been a convergence of Medicaid expansion politics and data.

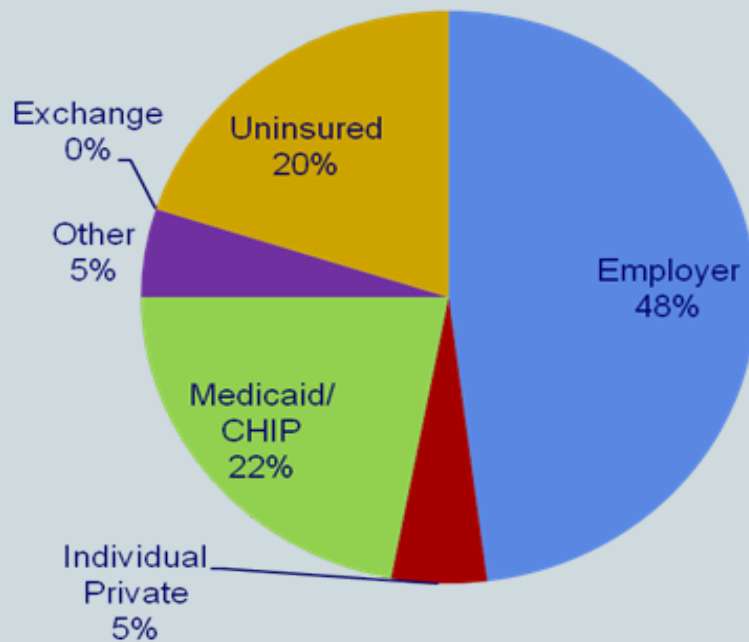
“There are three kinds of lies: lies, damned lies and statistics.”

Mark Twain

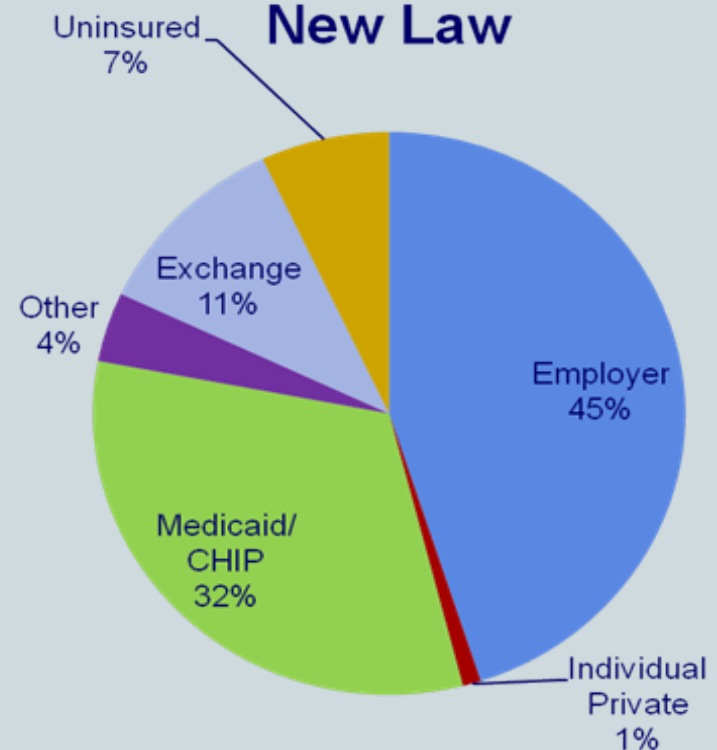
Healthcare Changes In Mississippi

Shifts in Coverage Projected for MS

Current Law



New Law



Source: *An Overview of Health Reform. (2010). Center for Mississippi Health Policy and Georgia Health Policy Center.*

Impact on Medicaid in MS



- In 2014, it is estimated that MS will have about 270,000 new Medicaid recipients with annual expenditures of \$1.6 billion annually
- From 2014 to 2019, state expenditures for the newly eligible Medicaid recipients will be about \$11.4 billion with the Federal government paying 97% of those costs

Milliman report

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- Released October 2010
- Highlights of the report
 - 415,000 new Medicaid Enrollees
 - 1.6 billion in state expenditures
- Flaws of the report
 - Participation-rate assumptions for eligible individuals are inconsistent with previous studies (result in overstated estimates of Medicaid enrollment increases)
 - Assumptions concerning “crowd out” rates among people are inconsistent
 - Estimates of costs per newly enrolled Medicaid beneficiary overstated

Mississippi IHL report

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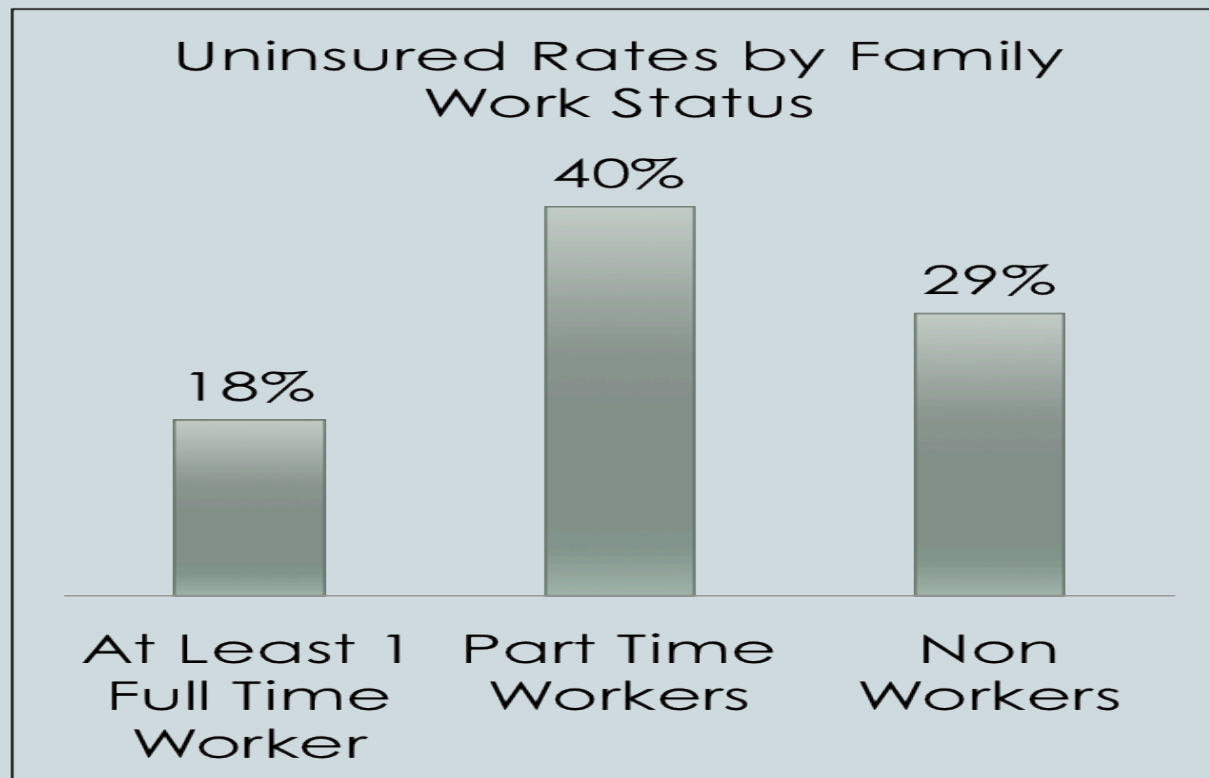
- Released October 2012
- Highlights of the report
 - 305,708 average estimated Medicaid expansion enrollment 2014-2020
 - From 2014-2020, cumulative State costs of Medicaid expansions are projected to range from \$109 (95% participation) million to \$98 million (75% participation)
 - 2014-2017 adds \$58.1 to State General Fund revenue
 - 8,250 average estimated jobs created 2014-2020

Politics of Statistics

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How do we move the conversation forward from a numbers and statistics perspective?

Mississippi: non-Elderly Uninsured



Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on the Census Bureau's March 2010 and 2011 Current Population Survey (CPS: Annual Social and Economic Supplements).

Medicaid Expansion

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- **Moving the Conversation Forward with Working Families**
 - Economic security (Health Insurance Coverage)
 - Job creation
 - Faces of Medicaid expansion
 - ✦ Independent Contractors
 - ✦ Stylist
 - ✦ Barbers
 - Preliminary Polling Data

Medicaid Expansion

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- Novel Idea?
 - Is there merit to frame Medicaid expansion as a civil rights issue?
 - ✦ Health Equity Issue
 - Geography
 - Socioeconomic status
 - Race

Medicaid Expansion

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- Opportunities
- Challenges

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