



LEAGUE OF WOMEN VOTERS®  
OF FLORIDA EDUCATION FUND

# Health Care Reform: What Does It Mean for You and Your Family?



## Why are we having community conversations on PPACA?

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- The **Patient Protection and Affordable Care Act (PPACA)** was signed into law in March 2010 to transform the U.S. health care and health insurance system.
- Democracy thrives on educated voters. The **League of Women Voters of Florida** is committed to ensuring Florida voters have good information.

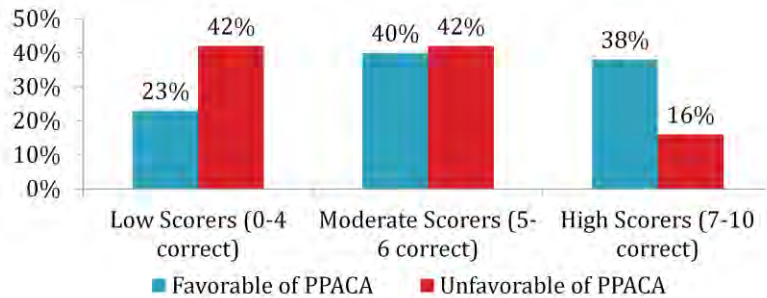


We are glad you could join us today. If you are like many people, you may have questions about what the new health care law means for you. Some of the improvements and changes in the new law will happen quickly. Others will phase in over several years. By understanding what is in the law, you can make the best decisions for yourself and your family.

## Why are we having community conversations on PPACA?

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- Most people do not understand what is really in the Patient Protection and Affordable Care Act.
- According to a Kaiser Family Foundation quiz, only 1% of respondents could answer 10 basic questions about PPACA correctly. Only 25% got a C (7 out of 10) or better.



Source: Kaiser Family Foundation, <http://www.kff.org/healthreform/upload/8148.pdf>

Number of quiz participants: 1,207 adults, 18+

## PPACA Quiz

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1. Will the health reform law require nearly all Americans to have health insurance by 2014 or else pay a fine?
2. Will the health reform law allow a government panel to make decisions about end-of-life care for people on Medicare?

To test your knowledge of the health care law, you can quickly take the same quiz, which is printed on your handout. The answers will be provided at the end of the presentation.

The PPACA quiz created by the Kaiser Family Foundation is available at <http://healthreform.kff.org/quizzes/health-reform-quiz.aspx>.

## PPACA Quiz

5

3. Will the health reform law cut benefits that were previously provided to all people on Medicare?
4. Will the health reform law expand the existing Medicaid program to cover low-income, uninsured adults regardless of whether they have children?

## PPACA Quiz

6

5. Will the health reform law provide financial help to low- and moderate-income Americans who don't get insurance through their jobs to help them purchase coverage?
  
6. Will the health reform law prohibit insurance companies from denying coverage because of a person's medical history or health condition?

## PPACA Quiz

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7. Will the health reform law require all businesses, even the smallest ones, to provide health insurance for their employees?
8. Will the health reform law provide tax credits to small businesses that offer coverage to their employees?

## PPACA Quiz

8

9. Will the health reform law create a new government run insurance plan to be offered along with private plans?
10. Will the health reform law allow undocumented immigrants to receive financial help from the government to buy health insurance?

## Health Care Reform in 10 Minutes

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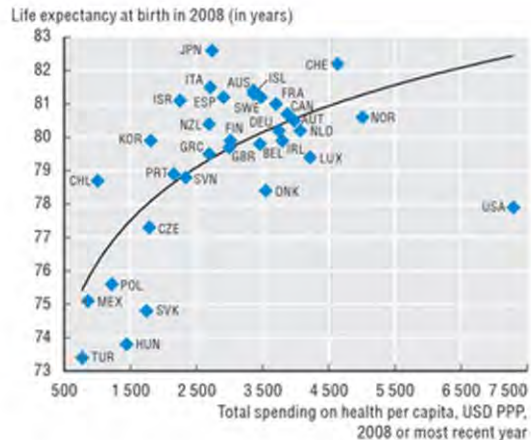
Source: Kaiser Family Foundation, **Health Reform Explained Video: "Health Reform Hits Main Street"**

[http://www.youtube.com/watch?v=3-lIc5xK2\\_E&feature=player\\_embedded#at=12](http://www.youtube.com/watch?v=3-lIc5xK2_E&feature=player_embedded#at=12)

## Outdated, high-cost health care cannot continue

10

- **Paying More, Getting Less:**  
As a country, we pay more for health care than any other nation, yet have a lower life expectancy.

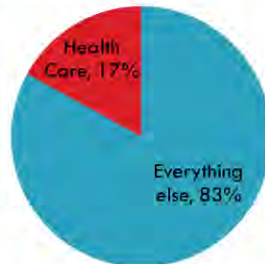


Source: Organisation for Economic Co-operation and Development (2010), *OECD Health Data 2010*, [http://www.oecd-ilibrary.org/sites/soc\\_glance-2011-en/07/05/index.html;jsessionid=1pe5dnaobcjun.epsilon?contentType=&itemId=/content/chapter/soc\\_glance-2011-25-en&containerItemId=/content/serial/19991290&accessItemIds=/content/book/soc\\_glance-2011-en&mimeType=text/html](http://www.oecd-ilibrary.org/sites/soc_glance-2011-en/07/05/index.html;jsessionid=1pe5dnaobcjun.epsilon?contentType=&itemId=/content/chapter/soc_glance-2011-25-en&containerItemId=/content/serial/19991290&accessItemIds=/content/book/soc_glance-2011-en&mimeType=text/html)

## Outdated, high-cost health care cannot continue

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- Health care costs are a big chunk (17%) of U.S. Gross National Product (GNP).



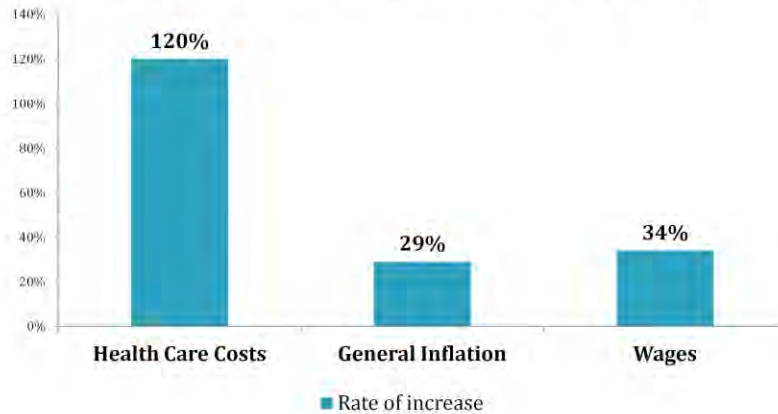
- Rising premiums, co-pays, and co-insurance can make it too costly for employers to offer, employees to enroll, and subscribers to use health insurance.

Source: Kaiser Family Foundation,  
<http://facts.kff.org/results.aspx?view=slides&topic=3&num=4>

## Outdated, high-cost health care cannot continue

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**Increase in Health Care Costs Greatly Exceeds  
General Inflation and Wages Increases (2000-2009)**



Source: Kaiser Family Foundation,  
<http://facts.kff.org/results.aspx?view=slides&topic=3&num=4>

## Florida vs. U.S.

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- More of us are uninsured:  
21% Florida vs. 17% U.S.
- Fewer Florida employers offer insurance:  
46% Florida vs. 54% U.S.
- Fewer Floridians have employer coverage:  
44% Florida vs. 49% U.S.



Source: Kaiser Family Foundation (2009-2010),  
<http://www.statehealthfacts.org/comparecat.jsp?cat=3&rqn=1&rqn=11>

US population: 303,343,300 (2008-2009)

Florida population: 18,170,900 (2008-2009)

## Florida vs. U.S.

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- We are paying for costly, avoidable illness and hospital care, but not for prevention.
- Floridians are about half as likely to have an office visit, compared to the national average, but have more hospitalizations.
- More Florida hospitalizations were preventable with good outpatient care.



Source: Kaiser Family Foundation,

<http://www.statehealthfacts.org/profileglance.jsp?rgn=11&rgn=1>

Office Visits:

<http://www.statehealthfacts.org/profileind.jsp?cmprgn=1&cat=8&rgn=11&ind=392&sub=94>

Hospitalizations:

<http://www.statehealthfacts.org/profileind.jsp?ind=386&cat=8&rgn=11&cmprgn=1>

## PPACA: What's In It (for You)?

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- **Expands** health care insurance coverage
- Adds new **consumer protections**
- Makes health care **more affordable**, with emphasis on preventive care
- Provides **quality** improvement
- Invests in **prevention** and expands public health programs, policies, and incentives



## PPACA: Expands insurance coverage

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- 32 million more Americans will be insured by 2014.
  - More people will be eligible for coverage.
    - 95% of currently uninsured legal residents will have coverage.
  - Self-purchased insurance will be available through exchanges.
  - Children up to age 26 can be covered by parents' insurance.
  - Medicaid eligibility will expand in 2014.
  - Medicare coverage will close the “doughnut hole” for prescriptions.

Source: Kaiser Family Foundation, <http://www.kff.org/healthreform/upload/8061.pdf>

Source: U.S. Dept. of Health and Human Services,  
<http://www.healthcare.gov/law/about/order/byyear.html>

## PPACA: Adds consumer protections

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- Removes lifetime caps on coverage in 2011
- Removes annual caps on coverage in 2014
- Insurance available for patients with pre-existing conditions in 2014
- No higher premiums based on pre-existing conditions or gender (2014), but can have higher premiums for smokers
- Prohibits insurance companies from dropping coverage if you have paid your premium in 2011

Source: Kaiser Family Foundation, <http://www.kff.org/healthreform/upload/8061.pdf>

Source: U.S. Dept. of Health and Human Services,  
<http://www.healthcare.gov/law/about/order/byyear.html>

## PPACA: Exchanges

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- Requires states to set up **exchanges**, or markets for individuals and businesses to purchase health insurance for a set core of services.



- Creates insurance access for small businesses
- Creates insurance access for people with pre-existing conditions
- Creates transparency for insurance purchases

Source: Kaiser Family Foundation, <http://www.kff.org/healthreform/upload/8061.pdf>

Source: U.S. Dept. of Health and Human Services, <http://www.healthcare.gov/law/about/order/byyear.html>

Set Core of Services:

<http://www.healthcare.gov/news/factsheets/2010/07/preventive-services-list.html>

Florida Exchanges:

<http://www.kaiserhealthnews.org/Stories/2011/October/09/florida-health-exchange.aspx>

The core set of services is being determined. The Institute of Medicine just released “essential health benefits” (EHB) monograph, and Congress is holding hearing to define what should be in that core set of services. Preventive care and prenatal care are included, as is management of chronic diseases, but details are being developed. PPACA specifies that preventive care (mammograms, colonoscopies, many vaccines) be provided without copays or deductibles. This is separate from EHB, but these benefits will be included in EHB. So one aspect is what should be provided without copay/deductible. The second question is what else should be in the EHB, the core set of services. For example, should chemotherapy for breast cancer be covered? It might be included in EHB but with a copay.

## PPACA: Affects Medicaid and Medicare

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- **Medicaid:** A joint Federal and state program that helps with medical costs for some people with limited income and resources. Medicaid programs vary from state to state, but most health care costs are covered if you qualify for both Medicare and Medicaid.
- **Medicare:** The Federal health insurance program for people who are age 65 or older, certain younger people with disabilities, and people with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a transplant, sometimes called ESRD).

## PPACA: Expands and funds Medicaid

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- ❑ PPACA will increase the number of low-income individuals and families eligible for Medicaid.
- ❑ Florida will get **at least \$10** from the federal government for each state Medicaid dollar it spends.
- ❑ For those newly eligible for Medicaid, Florida would get **\$25** in federal funds for each state dollar.



Source: Collins Center,

[http://www.collinscenter.org/resource/resmgr/Health\\_Care\\_Docs/Health\\_Leg\\_in\\_Fla\\_6-10-11.pdf](http://www.collinscenter.org/resource/resmgr/Health_Care_Docs/Health_Leg_in_Fla_6-10-11.pdf)

## PPACA: Improves and protects Medicare

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- ❑ Protects guaranteed Medicare benefits
- ❑ Improves Medicare benefits
- ❑ Lowers out-of-pocket costs for prescription drugs
- ❑ Gradually closes “doughnut hole” and keeps Part D cost sharing



The law aims to improve Medicare by requiring Medicare to spend more wisely.

- If you have Medicare, your guaranteed **Medicare benefits are protected**. This includes doctor and hospital visits and rehabilitation services. This is true whether you have Original Medicare (Part A and Part B) or a Medicare Advantage plan.
- You will also receive **improved benefits**. For example, improvements to Medicare will **lower your out-of-pocket costs for prescription drugs**.

Source: U.S. Dept. of Health and Human Services,  
<http://www.healthcare.gov/law/about/order/byyear.html>

## PPACA: Lowers preventive care costs

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- No co-pay or deductible for preventive care (October 2010), including:
  - Well-person assessment
  - Vaccinations
  - Colonoscopies
  - Pap tests
  - Mammograms



Source: U.S. Dept. of Health and Human Services,  
<http://www.healthcare.gov/law/about/order/byyear.html>

Preventive Services:  
<http://www.healthcare.gov/news/factsheets/2010/07/preventive-services-list.html>

## PPACA: Quality improvement for medical care

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- ❑ Requires transparency and quality indicators so there is as much information on the quality of care as on the quality of a car
- ❑ Paying for quality rather than paying for number of procedures
- ❑ Increasing continuity care with:
  - ❑ Medical homes
  - ❑ Accountable Care Organizations



Source: Kaiser Family Foundation, <http://www.kff.org/healthreform/upload/8061.pdf>

Source: U.S. Dept. of Health and Human Services,  
<http://www.healthcare.gov/law/about/order/byyear.html>

**Medical homes:** The Patient-Centered Medical Home (PCMH) is an approach to providing comprehensive primary care for children, youth and adults. The PCMH is a health care setting that facilitates partnerships between individual patients, and their personal physicians, and when appropriate, the patient's family.

**Accountable Care Organizations:** A group of health care providers who give coordinated care, chronic disease management, and thereby improve the quality of care patients get. The organization's payment is tied to achieving health care quality goals and outcomes that result in cost savings.

# PPACA: Quality improvement for medical care

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**HealthCare.gov**  
Take health care into your own hands.

Blog | Newsroom | Implementation Center | FAQs

Find Insurance Options | Learn About Prevention | Compare Care Quality | Understand the Law | Information For You

## Compare Care Quality

### Tools to help you assess the quality of the care you're getting

The Affordable Care Act is designed not just to control health care costs, but also to improve quality of care. The federal government has created several tools that allow you to compare a variety of quality measures of health care and service providers.

- 1. Compare Hospitals** [Visit the Website](#)  
This tool can help you compare the quality of care that hospitals provide. It provides a list of U.S. hospitals which includes hospital demographics (location, hospital type) and 44 quality-of-care measures. It also includes data on some Department of Veterans Affairs medical centers.
- 2. Compare Nursing Homes** [Visit the Website](#)  
Use this tool to help you compare the quality of care that nursing homes provide. It provides a list of U.S. nursing homes which includes demographics (location and type of facility) and nursing home ratings, which include health inspection reports, staffing data, and quality measures.
- 3. Compare Home Health Agencies** [Visit the Website](#)  
This tool can help you compare the quality of care that home health agencies provide. It provides a list of U.S. home health agencies, including demographics, services provided and quality measures.
- 4. Compare Dialysis Facilities** [Visit the Website](#)  
Use this tool to help you compare the quality of care that dialysis facilities provide. It provides a list of U.S. dialysis facilities which includes services provided, quality measures, and resources.

On the Medicare Nursing Home Compare web site, you can search by the name of the nursing home, or by city, county, state or ZIP code.

Source: [www.medicare.gov/NHcompare](http://www.medicare.gov/NHcompare).

## PPACA: Impact on Women

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- ❑ Prohibits insurers from charging more based on health or gender
- ❑ Requires insurers cover maternity care
- ❑ Requires coverage for preventive services:
  - ❑ Well-woman visits
  - ❑ Gestational diabetes screening
  - ❑ HPV DNA testing
  - ❑ Sexually transmitted infection counseling
  - ❑ HIV screening and counseling
  - ❑ FDA-approved contraception methods and contraceptive counseling
  - ❑ Breastfeeding support, supplies and counseling
  - ❑ Domestic violence screening and counseling

Source: Kaiser Family Foundation, <http://www.kff.org/healthreform/upload/8061.pdf>

## PPACA: Will save money

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- One of the arguments against PPACA is that it is too costly.
- Can we afford to not transform health care?
  - Currently, the U.S. spends \$2.5 trillion/year on health care, taking resources from other vital national needs and making it hard to compete globally.
  - We already pay for late, sick care. PPACA transforms our system from costly sick care to more cost-effective prevention and early care.

Source: U.S. Dept. of Health and Human Services,  
[https://www.cms.gov/NationalHealthExpendData/25\\_NHE\\_Fact\\_sheet.asp](https://www.cms.gov/NationalHealthExpendData/25_NHE_Fact_sheet.asp)

## PPACA: Will save money

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- PPACA can reduce federal deficits by \$124 billion from 2010 to 2019.
- State governments will save \$92 billion to \$129 billion from 2014 to 2019.
- Savings will occur by reducing the uninsured population and providing federal funding for care previously and inconsistently financed by states and localities.



Federal Deficits Source: Congressional Budget Office,  
<http://www.cbo.gov/publications/collections/health.cfm>

State Savings Source: Urban Institute, <http://www.urban.org/url.cfm?ID=412361>

## How will this work?

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- Everyone must have insurance to be able to spread the risk.
- Individuals must get insured or pay fines.
- Employers must provide insurance or pay fines.
- Retaining insurance system in PPACA requires all to buy into the coverage pool.



**“Everyone must have insurance to be able to spread the risk”:** Otherwise, only those who are sick will enroll, and we will still be paying for high-cost sick and emergency care for the uninsured.

## How will this work?

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- We will incur savings from quality improvements and the reorganization of Medicare (private Medicare HMO fees).
- We already pay for the uninsured at the most costly end of the spectrum (emergency and hospital care), not for primary care and prevention.
- Florida hospitals will save more than \$1 billion by having fewer uninsured patients and less uncompensated care.

Source: Collins Center for Public Policy,

[http://www.collinscenter.org/resource/resmgr/Health\\_Care\\_Docs/Health\\_Leg\\_in\\_Fla\\_6-10-11.pdf](http://www.collinscenter.org/resource/resmgr/Health_Care_Docs/Health_Leg_in_Fla_6-10-11.pdf)

## What about the “mandate”?

30

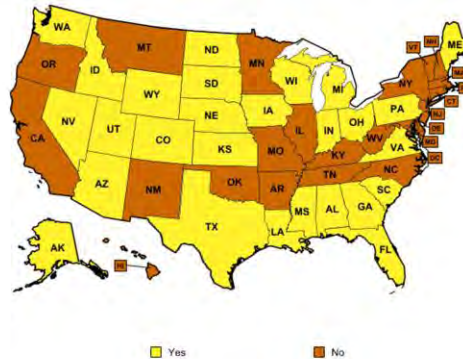
- The penalty on individuals who remain uninsured even though they can afford health insurance is \$95 in 2014 up to \$695 by 2016, or 1%–2.5% of income. The mandate is being challenged in court.
- Insurance is shared risk. If not required, those with the highest risk will get insurance and others will not (moral hazard).
- If coverage is optional, uninsured will continue to come to the ER and get late, costly care, keeping premiums high.

Source: Kaiser Family Foundation, <http://www.kff.org/healthreform/upload/8061.pdf>

## Florida is not moving forward

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- Florida and 26 other states have filed lawsuits challenging the PPACA requirement that all Americans have health insurance.



Source: Kaiser Family Foundation,

<http://statehealthfacts.kff.org/comparemaptable.jsp?ind=962&cat=17>

The Supreme Court will consider whether to rule on the constitutionality of the Health Care Law (to hear or not to hear) in mid-November:

[http://www.huffingtonpost.com/2011/10/26/health-care-supreme-court-cases-november\\_n\\_1033212.html](http://www.huffingtonpost.com/2011/10/26/health-care-supreme-court-cases-november_n_1033212.html)

## Florida is not moving forward

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- Florida is not implementing the health system improvements of PPACA.
  - Florida's legislators have deliberately forfeited millions of dollars in federal grants because the funds were related to PPACA.
  - Part of that money included \$35 million in federal funds for services to keep seniors in their homes, instead of the more expensive and less satisfactory option: nursing homes.

Source: [http://articles.orlandosentinel.com/2011-06-29/health/os-florida-federal-grants-20110629\\_1\\_nursing-homes-federal-grant-money-on-nursing-home-care](http://articles.orlandosentinel.com/2011-06-29/health/os-florida-federal-grants-20110629_1_nursing-homes-federal-grant-money-on-nursing-home-care)

# Florida is not moving forward

33

- Florida is not setting up the insurance exchanges required by PPACA, while other states have moved forward with creative versions of the exchanges.



Source: Kaiser Family Foundation,

<http://statehealthfacts.kff.org/comparemactable.jsp?ind=962&cat=17>

Florida exchanges:

<http://www.kaiserhealthnews.org/Stories/2011/October/09/florida-health-exchange.aspx>

## What's happening in other states?

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- **Massachusetts:** Exchange is an “active purchaser” and selectively manages which insurers can participate in the exchange
- **Utah:** An “all-comer” model that allows any licensed health insurer to participate
- **Maryland:** Facilitating an online exchange
- **Vermont:** Developing a single-payer model

Source: Kaiser Family Foundation, [www.kff.org](http://www.kff.org)

**Single-payer system:** A health care system in which a single entity pays for health care services. This entity collects health care fees and pays for all health care costs, but is not involved in the delivery of health care.

## PPACA Quiz Answers

35

1. Will the health reform law require nearly all Americans to have health insurance by 2014 or else pay a fine?

**YES**

2. Will the health reform law allow a government panel to make decisions about end-of-life care for people on Medicare?

**NO**

### **Explanation of answers:**

1. Yes. Starting in 2014, most U.S. citizens and legal residents will be required to obtain health coverage, or pay a penalty. Some exemptions will be granted, for example, for those with religious objections or where insurance would cost more than 8% of their income.
2. No. No such panels exist. While early versions of the law did contain provisions that would allow Medicare to reimburse physicians for voluntary discussions with patients about end-of-life planning, these provisions were dropped from the final legislation.

The PPACA quiz created by the Kaiser Family Foundation is available at <http://healthreform.kff.org/quizzes/health-reform-quiz.aspx>.

## PPACA Quiz Answers

36

3. Will the health reform law cut benefits that were previously provided to all people on Medicare?

**NO**

4. Will the health reform law expand the existing Medicaid program to cover low-income, uninsured adults regardless of whether they have children?

**YES**

3. No. The law reduces payments to the privately administered Medicare Advantage plans, but they will still be required to provide all benefits that are covered by traditional Medicare.

4. Yes. Medicaid will be expanded to cover nearly all individuals under age 65 with incomes up to 133% of the federal poverty level (\$14,400 for an individual or \$29,300 for a family of four in 2010).

## PPACA Quiz Answers

37

5. Will the health reform law provide financial help to low- and moderate-income Americans who don't get insurance through their jobs to help them purchase coverage?

**YES**

6. Will the health reform law prohibit insurance companies from denying coverage because of a person's medical history or health condition?

**YES**

5. Yes. Individuals without access to affordable coverage who purchase coverage through the new insurance Exchanges and have incomes up to 400% of the federal poverty level will be eligible for premium tax credits based on their income.

6. Yes. Starting in 2014, all health insurers will be required to sell coverage to everyone who applies, regardless of their medical history or health status.

## PPACA Quiz Answers

38

7. Will the health reform law require all businesses, even the smallest ones, to provide health insurance for their employees?

**NO**

8. Will the health reform law provide tax credits to small businesses that offer coverage to their employees?

**YES**

7. No. The law does not require employers to provide health benefits. However, it does impose penalties, in some cases, on larger employers (those with 50 or more workers) that do not provide insurance to their workers or that provide coverage that is unaffordable.

8. Yes. Beginning in 2010, businesses with fewer than 25 full-time equivalent employees and average annual wages of less than \$50,000 that pay at least half of the cost of health insurance for their employees are eligible for a tax credit.

## PPACA Quiz Answers

39

9. Will the health reform law create a new government run insurance plan to be offered along with private plans?

**NO**

10. Will the health reform law allow undocumented immigrants to receive financial help from the government to buy health insurance?

**NO**

9. No. The law does not create a new government-run health insurance plan. The existing Medicaid program will be expanded to cover more low-income people, government regulation of the health insurance industry will be increased, and tax credits will be provided to make private health insurance more affordable for people.

10. No. Undocumented immigrants are not eligible to receive financial help from the government to buy health insurance, nor are they eligible for Medicaid or to purchase insurance with their own money in the new Exchanges.

## LWVF and PPACA

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- The **League of Women Voters of Florida** joins other citizen organizations in explaining the costs and benefits of the health care reform law in Florida.



- The League believes that during these difficult economic times, Florida needs less partisanship and more policy based on common sense, especially for seniors and the disabled.

## What can you do?

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- Voters need facts, not rhetoric.
- Invite the [League](#) to have a conversation with your community, club, group, or organization.



## Get more information

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- Get more information at:
  - PPACA: [Public Law 111-152](#)
  - Kaiser Family Foundation: [www.kff.org](http://www.kff.org)
  - U.S. Government: [www.HealthCare.gov](http://www.HealthCare.gov)
  - U.S. Government: [www.Medicare.gov](http://www.Medicare.gov)
  - Collins Center for Public Policy: [www.CollinsCenter.org](http://www.CollinsCenter.org)
  - Commonwealth Fund: [www.CommonwealthFund.org](http://www.CommonwealthFund.org)



# Acknowledgements

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