

Health Care Reform in Utah

What You and Your Patrons Need to Know



Utah Library Association
2013 Annual Conference
May 2, 2013



Who is UHPP?

The Utah Health Policy Project (UHPP) is a **nonpartisan, nonprofit** organization dedicated to building **lasting solutions** to the challenges of the uninsured and **rising health care costs**.

The screenshot shows the Utah Health Policy Project website. At the top, it says "Quality Health Care Coverage For All" and "Utah Health Policy Project". There are navigation links for "Blog", "Donate", "Join", "Volunteer", "Contact Us", and "Home". The main content area features a "UHP" logo, a "Welcome to the Utah Health Policy Project" message, and a "TAKE CARE UTAH" banner. There are also sections for "What's New" and "Reform Implementation Station".



www.healthpolicyproject.org



@UHPP



www.facebook.com/utahhealthpolicyproject

On the agenda today



- About the Affordable Care Act (ACA)
- Utah's Current Status
- Enrollment Assistance and References

The Affordable Care Act (ACA)

- Also called “Obamacare”
- Signed: **March 23, 2010:**
- Upheld: **June 28, 2012**
- Enrollment: **October 1, 2013**
- Implementation: **January 1, 2014**

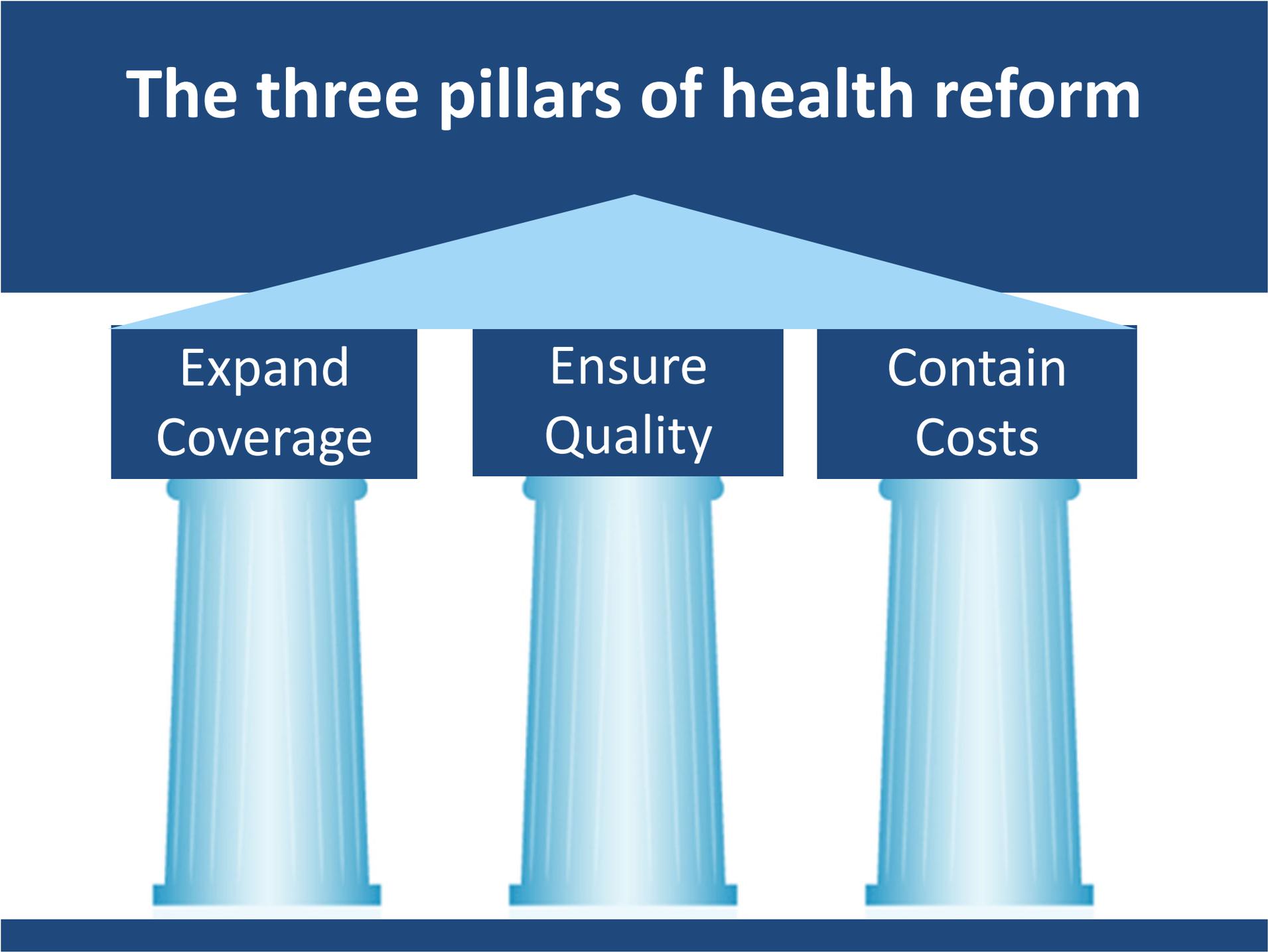
*The Patient
Protection
&
Affordable
Care Act*



111th Congress of the United States

H.R. 3590

The three pillars of health reform



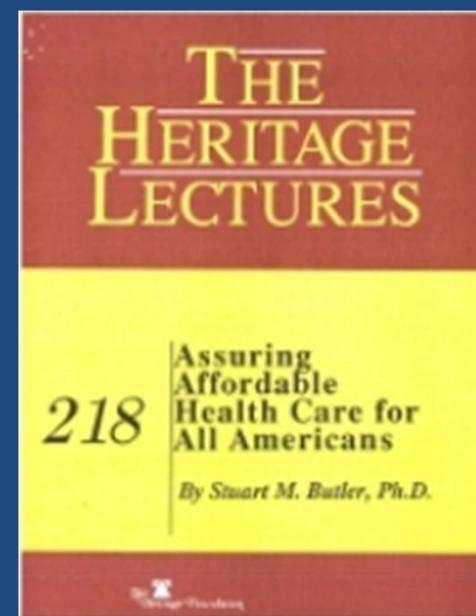
Expand
Coverage

Ensure
Quality

Contain
Costs

Where did the ACA come from?

- **Heritage Foundation** — January 1989¹
- Heritage included an individual mandate using private-sector insurance
- Same model used in Massachusetts



[1] "Heritage Rewrites History," *Wall Street Journal*, February 12, 2012

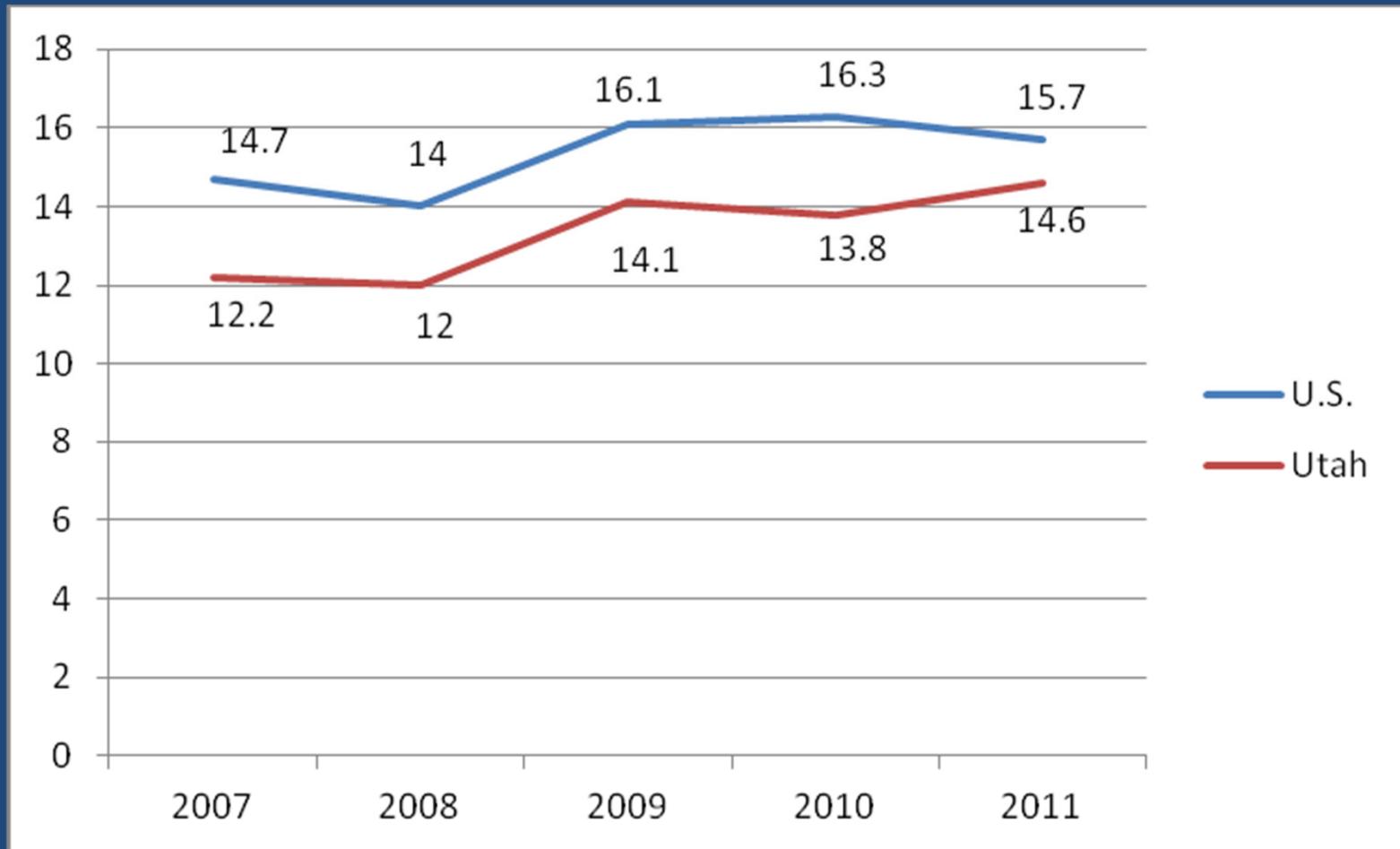
Massachusetts pioneered the ACA in 2006

The screenshot shows the Health Connector website interface. At the top left is the logo with the text "HealthConnector Health Insurance for Massachusetts Residents". To the right are links for "Account Login", "E-Pay", "En Español", "Help", and "Contact Us", along with a search bar and a "GO" button. Below this is a navigation menu with "Home", "Find Insurance", "Health Care Reform", and "About Us". The main content area features a row of six diverse people's faces. Below them are four colored buttons: "Individuals & Families Get Started" (red), "Young Adults Get Started" (blue), "Employees Get Started" (green), and "Employers Get Started" (purple). The left column contains text about the Commonwealth Choice marketplace and the Commonwealth Care program, with a link for students. The right column features a testimonial from Andrew Herlihy of Malden and a section for Commonwealth Care members with a list of actions like "Get instructions for creating your account" and "Log in to your account". A small seal is visible in the bottom left corner.



3.9% to 1.9%

Utah was going in the wrong direction



Uninsured Rate: Utah and U.S.

With the trend expected to continue...



[1] U.S. Census Data; Kaiser Commission on Medicaid and the Uninsured, December 2012

Who are Utah's uninsured?



- **411,926** Utahns lack health insurance¹
- **76%** earn less than 200% of the federal poverty level (\$46,000 for a family of 4)
- **57%** would be eligible for Medicaid expansion
- **56%** of adults are employed

Where do they get care?



Emergency rooms

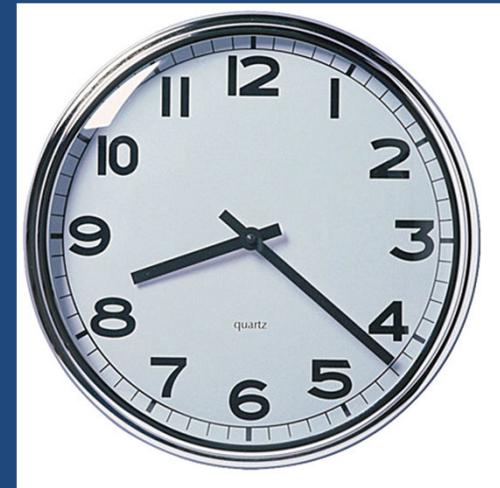


Federally-funded clinics

Uninsured

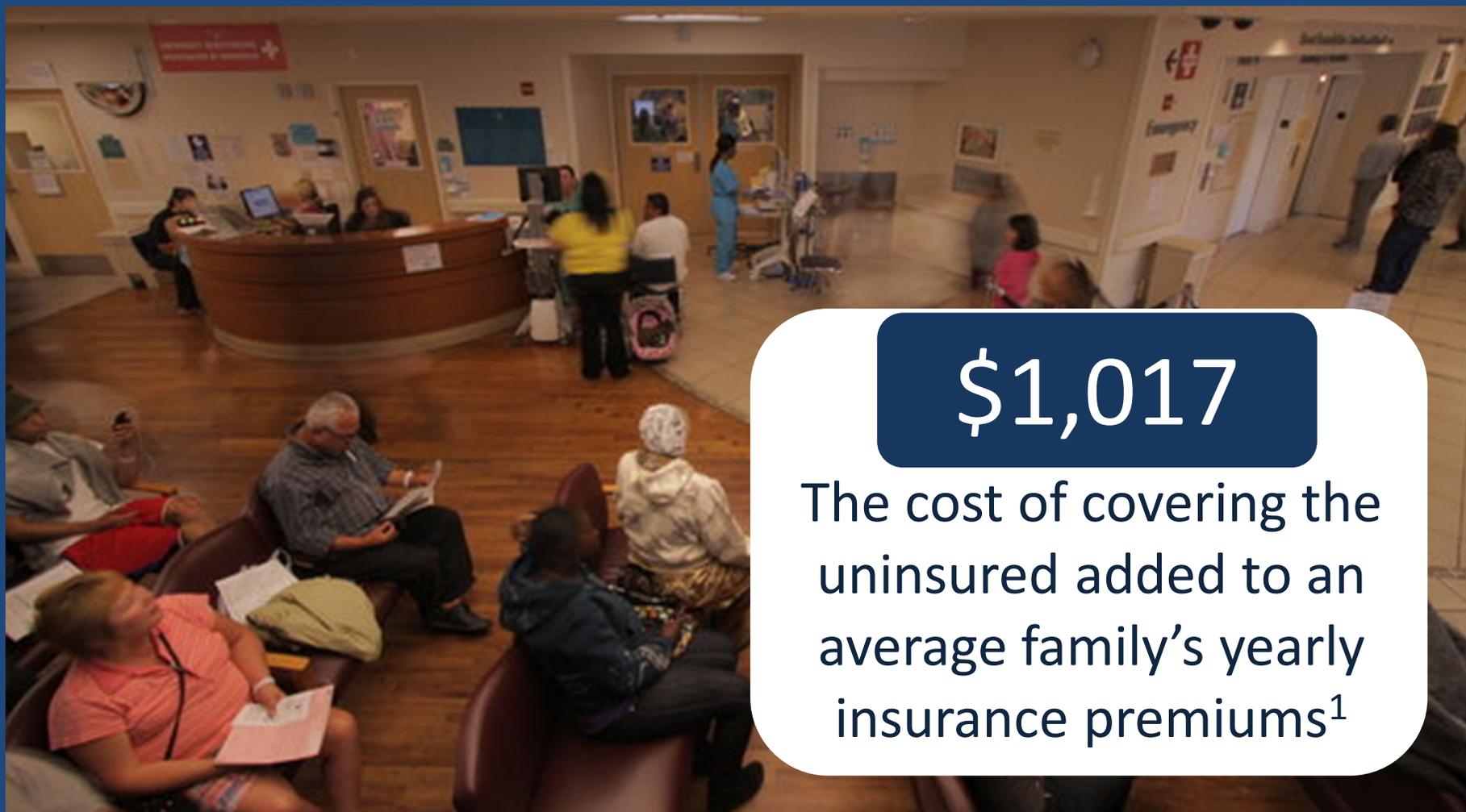


Ad-hoc clinics



They wait...

The cost of the uninsured affects us all



\$1,017

The cost of covering the uninsured added to an average family's yearly insurance premiums¹

[1] "Hidden Health Tax: Americans Pay a Premium," Families USA, 2009.

After the Affordable Care Act



What the ACA does for people...

Adults under age
26 can stay on
parents plan

**No lifetime caps on
insurance payments**

Insurance offers **free preventative care**
like blood pressure checks, flu shots, and
screenings

No one can be **denied or
priced out of coverage** for a
pre-existing condition

Men and women **pay
the same** for coverage

What the ACA doesn't do...

- No coverage for **undocumented immigrants**

Participants must be “lawfully present in the United States” which includes refugees, asylees, and non-immigrant visa holders

- Don't worry about **“death panels”**

The Independent Payment Advisory Board (IPAB) will apply best practices to reduce Medicare spending and can't ration care

- Not a **“government takeover”** of health care

Under the ACA, federal health care spending will increase from **29%** in 2010.... to **31%** in 2020—private spending stays above 50%.

Where are Utahns going to find insurance?

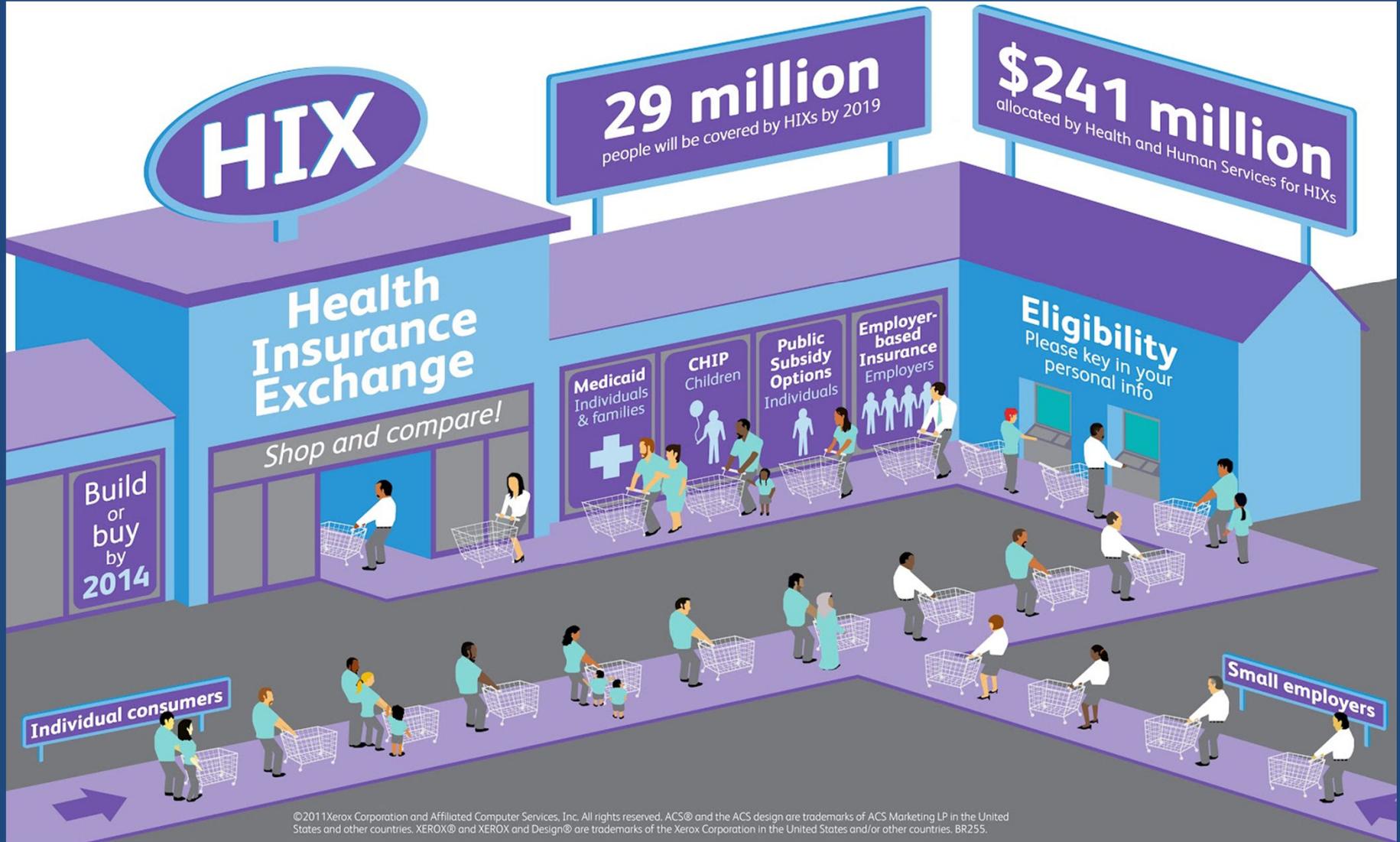
- After 2014, there will be a **mandate** to purchase insurance or pay a penalty
- The ACA sets up **marketplaces**—one for individuals, and one for small businesses



What is a “Marketplace”?

- A new, transparent, and competitive **insurance shopping experience**
- A place to review and buy **affordable and qualified** health plans
- Choices of plans that **meet minimum benefits** and affordability standards





How does an marketplace work?

Why call them marketplaces?

~~Exchange~~

mercado

அங்காடி rynek

pazar marché

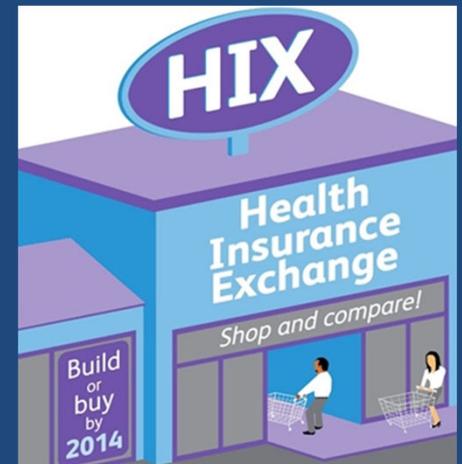
mache سوق

बाजार



How will coverage be more affordable?

- Advancable premium subsidies will **help cover the cost** for purchasing insurance
- Subsidies will be available for people earning **up to 400% of the federal poverty level** (\$92,200 for a family of four)
- No one will pay more than **9.5% of their income** for coverage.



Who is eligible for premium subsidies?

2012 Federal Poverty Guidelines for 48 Contiguous States and the District of Columbia (Annual Income)

Percent FPL	1 Person*	2 People	3 People	4 People
100%	\$11,170.00	\$15,130.00	\$19,090.00	\$23,050.00
133%	\$14,856.10	\$20,122.90	\$25,389.70	\$30,656.50
138%	\$15,414.60	\$20,879.40	\$26,344.20	\$31,809.00
150%	\$16,755.00	\$22,695.00	\$28,635.00	\$34,575.00
200%	\$22,340.00	\$30,260.00	\$38,180.00	\$46,100.00
238%	\$26,584.60	\$36,009.40	\$45,434.20	\$54,859.00
300%	\$33,510.00	\$45,390.00	\$57,270.00	\$69,150.00
400%	\$44,680.00	\$60,520.00	\$76,360.00	\$92,200.00

*Number of people in household.

Source: Federal Register. (2012, January 26). Vol. 77, No 17, pp. 4034–4035.

How do subsidies help an average Joe?

Joe's annual
Income:
\$34,000



Premium
cost:
\$6,000



6.5% of
Joe's income:
\$2,210

Doing the math: $\$6,000$ minus $\$2,210 = \$3,790$

Premium subsidy
Joe receives
each year: **\$3,790**



Joe can decide to:

- 1) Apply the subsidy (\$315) to **monthly insurance** bills
- 2) Get a **lump sum** (\$3,790) when he files taxes next year

After 2014, **270,000 Utahns** will be eligible for health insurance tax credits

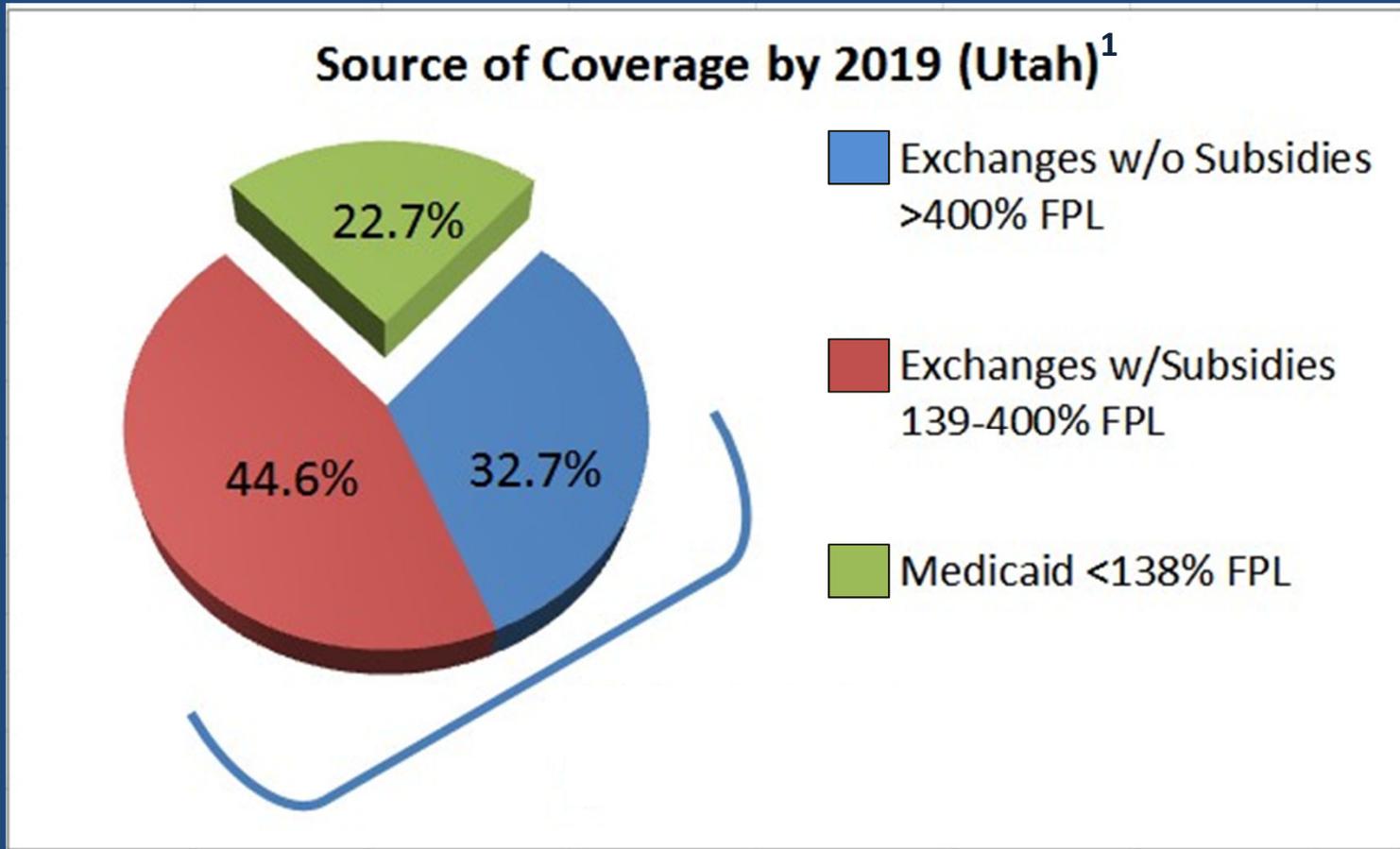
Table 7. Utahns Eligible for Premium Tax Credits, Distribution by Age and County, 2014

County Name(s)	Under 18		Age 18-34	
	Number	Percent	Number	Percent
1 Box Elder, Cache, Rich, Tooele	6,330	28.2%	9,440	42.0%
2 Weber	5,460	25.9%	8,010	38.1%
3 Davis	7,470	29.7%	9,610	38.2%
4 Carbon, Daggett, Duchesne, Emery, Grand, Morgan, San Juan, Summit, Uintah, Wasatch	4,060	25.0%	5,900	36.3%
5 Salt Lake	24,800	25.8%	35,810	37.3%
6 Utah	16,780	29.1%	25,300	43.9%
7 Beaver, Garfield, Iron, Juab, Kane, Millard, Piute, Sanpete, Sevier, Washington, Wayne	8,730	28.1%	11,680	37.6%
Total, all counties	73,640	27.3%	105,760	39.2%

Notes: Estimates prepared by The Lewin Group for Families USA (methodology available upon request). Numbers represent the number of Utahns eligible for premium tax credits based on 400 percent of the federal poverty level. Numbers may not add due to rounding.

[1] "Help is at Hand: Health Insurance Tax Credits for Utah," Families USA, based on analysis by the Lewin Group, April 2013

How will Utah look after the ACA?



By 2019... **77%** of Utahns will be covered by the private insurance market

[1] Kaiser Commission on Medicaid and the Uninsured, December 2012

Where is Utah today?



Utah's Proposal: Split Model

Utah's
current
choice



- Utah operates small business (SHOP*) marketplace (Avenue H)
- Federal government runs individual marketplace
- Details (Medicaid screening, consumer assistance, navigators) are TBD

*SHOP = Small Business Health Options Program

When will we know the final decision?



HHS Secretary Kathleen Sibelius



Gov. Gary Herbert

Soon... (we hope)

...but time is running out...

ACA in the West



- Planning for Partnership Exchange
- Default to Federal Exchange
- Declared State-based Exchange

Big decisions ahead...



- Will Utah meet HHS requirements for a partnership exchange, or revert to a Federally-facilitated exchange?
- How much flexibility will HHS give Utah?
- Will Utah expand Medicaid (like OH, NM, AZ, MT, NV, and CO)?

If Utah reverts to federal exchange...

- Feds build ACA-compliant individual and small business exchanges for Utah
- Future of Avenue H uncertain
- Utah's homegrown advantages (demographics, integrated healthcare systems, existing reforms) are diminished...



Want to learn more?



■ Call or email UHPP to schedule a presentation just like this one

Jason Stevenson

Education and Communications Director

cell. 617-290-8188

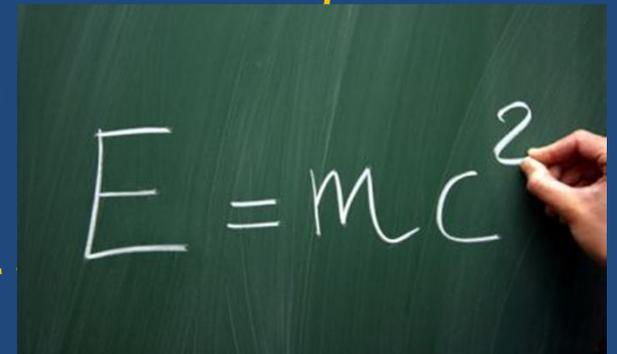
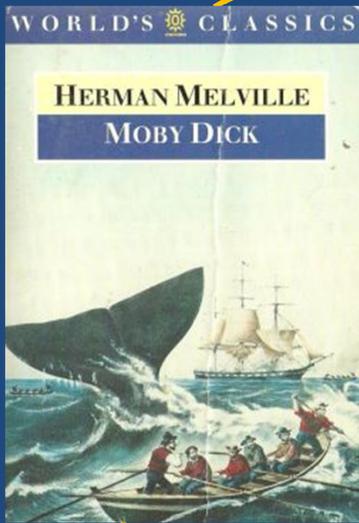
work. 801-433-2299 ext. 7

stevenson@healthpolicyproject.org

Questions?



We know librarians get lots of questions...



Inside the ACA's 3-page application

- 1) Personal info
- 2) SSN
- 3) Employment
- 4) Current year income
- 5) Predicted income
- 6) Health coverage
- 7) Signature

Link:
www.goo.gl/D0YGm

STEP 2 Current job & income information

Employed - If you're currently employed, tell us about your income. Start with question 1.
 Not Employed - Skip to question 11. **Self Employed** - Skip to question 10.

CURRENT JOB 1:

1. Employer name and address	2. Employer phone number () -	3. Average hours worked each week
4. Wages/tips (before taxes) <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Every 2 weeks <input type="checkbox"/> Twice a month <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly \$ _____		

CURRENT JOB 2: (If you have more jobs and need more space, attach another sheet of paper.)

5. Employer name and address	6. Employer phone number () -	7. Average hours worked each week
8. Wages/tips (before taxes) <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Every 2 weeks <input type="checkbox"/> Twice a month <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly \$ _____		

9. In the past year, did you: Change jobs Stop working Start working fewer hours None of these

10. If self-employed, answer the following questions:

a. Type of work _____	b. How much net income (profits once business expenses are paid) will you get from this self-employment this month? \$ _____
--------------------------	---

11. **OTHER INCOME THIS MONTH:** Check all that apply, and give the amount and how often you get it.
NOTE: You don't need to tell us about child support, veteran's payment, or Supplemental Security Income (SSI).

<input type="checkbox"/> None	<input type="checkbox"/> Retirement accounts \$ _____ How often? _____
<input type="checkbox"/> Unemployment \$ _____ How often? _____	<input type="checkbox"/> Alimony received \$ _____ How often? _____
<input type="checkbox"/> Pensions \$ _____ How often? _____	<input type="checkbox"/> Net farming/fishing \$ _____ How often? _____
<input type="checkbox"/> Social Security \$ _____ How often? _____	<input type="checkbox"/> Other income \$ _____ How often? _____

Type: _____

12. Do you pay student loan interest (not the amount of the loan) that can be deducted on a federal income tax return?
 YES. If yes, how much \$ _____ How often? _____ **NO.**

13. **YEARLY INCOME:** Complete only if your income changes from month to month. If you don't expect changes to your monthly income, skip to step 3.

Your total income this year	Your total income next year (if you think it will be different)
------------------------------------	--

Who are the navigators?



Navigators are...

...people trained to help others **evaluate their insurance options** on the new insurance marketplaces...

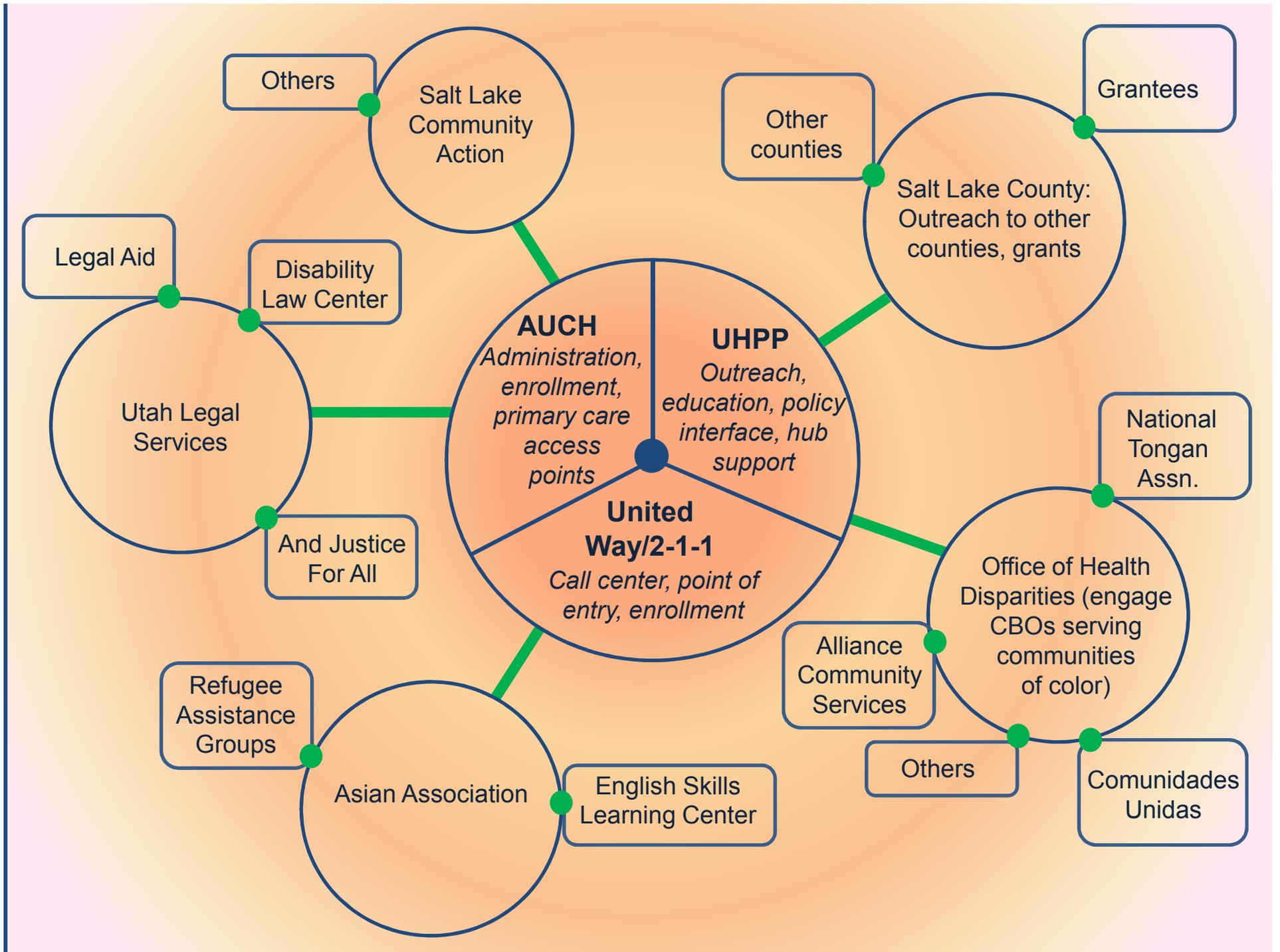
Enroll Utah is a state-wide collaborative effort to enroll people in coverage



**United Way
of Salt Lake**



**Association for
Utah Community Health**
Supporting Health Care for the Underserved



Enroll Utah will match people to assistance

- Applicant A
- Applicant B
- Applicant C
- Applicant D

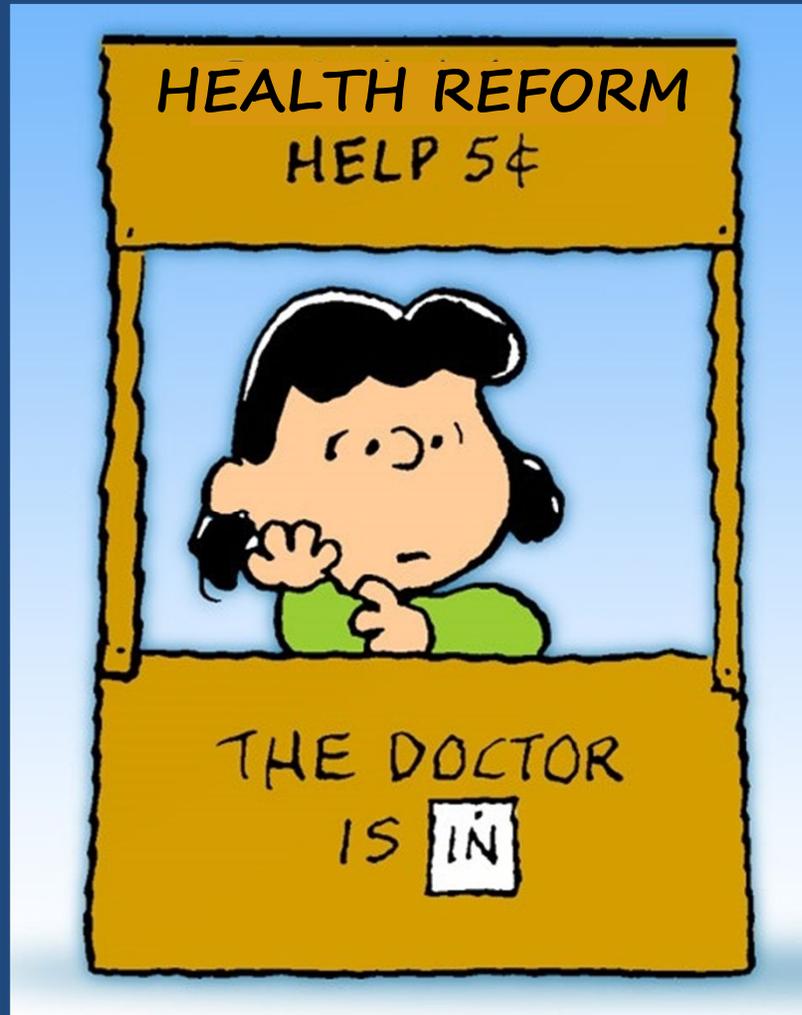


How Enroll Utah is preparing for October 1st

- **Database Design & Development**
 - Database will be secure and cloud-based
 - Funded through \$40K grant from American Express
- **AUCH – Enrollment Assistance Program**
 - Adding 15 AmeriCorps Members
 - Providing one-to-one enrollment assistance
 - Serving in community-based organizations across the state
- **Utah Health Policy Project - Take Care Utah**
 - Providing enrollment trainings to interested partners
 - Online toolkit and resources
 - Provide enrollment assistance in targeted neighborhoods
 - Funding from United Way of Salt Lake



Questions?



Helpful Resources





@sarahkliff

www.washingtonpost.com/blogs/wonkblog



@JeffreyYoung_HC

www.huffingtonpost.com/jeffrey-young



@JasonMillman

www.politico.com/healthcare

KHN
KAISER HEALTH NEWS

www.kaiserhealthnews.org

herndon Alliance
Healing America's Healthcare

herndonalliance.org

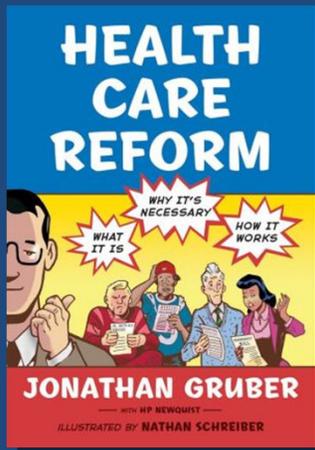
Health
Care
.gov

www.healthcare.gov



www.goo.gl/7nbLS

Learn more about health reform



Health Care Reform: What It Is, Why It's Necessary, How It Works

By Jonathan Gruber and Nathan Schreiber
(Illustrator)
\$13.95 (Hill and Wang)

Health Reform Hits Main Street

Produced by the Kaiser Family Foundation.

<http://healthreform.kff.org/the-animation.aspx>



HealthCare.gov

CuidadoDeSalud.gov

The screenshot shows the homepage of CuidadoDeSalud.gov. At the top, there is a navigation bar with the site's name and a search bar. Below this, a row of five buttons provides primary navigation: 'Encontrar opciones de seguro' (blue), 'Conocer sobre prevención' (teal), 'Comparar calidad de atención' (green), 'Entienda la Ley' (yellow), and 'Información' (grey with a dropdown arrow). A central banner features a man's portrait and the text 'Explore sus opciones de cobertura y precios' in a blue box, with a subtext 'Conozca los planes de seguros privados, programas públicos y servicios comunitarios disponibles.' and a state selection dropdown. To the right, a 'Cuidado de salud' section lists user categories: 'Familias con niños', 'Individuos' (highlighted in blue), 'Incapacitados', 'Adultos mayores', 'Adultos jóvenes', and 'Empleadores'. The browser's address bar shows the URL 'http://www.cuidadodesalud.gov/enes/' and the search bar contains the text 'silly'.

El cuidado de salud está mejorando. También CuidadoDeSalud.gov. Deje sugerencias donde ve [¿Esto fue útil?](#) y ayúdenos a mejorar.

CuidadoDeSalud.gov Blog | Prensa | Centro de implementación

Tome control del cuidado de su salud Inicio | Noticias electrónicas | Glosario | Tamaño de la letra / | In English

[Encontrar opciones de seguro](#) [Conocer sobre prevención](#) [Comparar calidad de atención](#) [Entienda la Ley](#) [Información ▼](#)

Explore sus opciones de cobertura y precios

Conozca los planes de seguros privados, programas públicos y servicios comunitarios disponibles.

Escoja su estado

Cuidado de salud

- Familias con niños
- Individuos**
- Incapacitados
- Adultos mayores
- Adultos jóvenes
- Empleadores

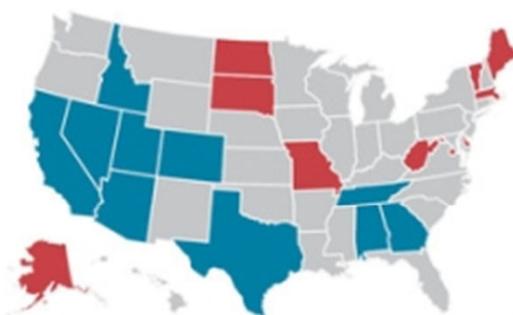
Additional Slides

Why are health costs so low in Utah?

Hospital Care

Highest	Lowest
D.C. \$4,948	Utah \$1,830
Alaska 3,879	Ga. 1,922
Mass. 3,505	Nev. 1,949
Vt. 3,408	Ariz. 1,977
Maine. 3,268	Calif. 2,077
N.D. 3,183	Ala. 2,111
S.D. 3,147	Idaho 2,115
Mo. 3,143	Texas 2,138
Del. 3,109	Conn. 2,150
W.Va. 3,073	Tenn. 2,160

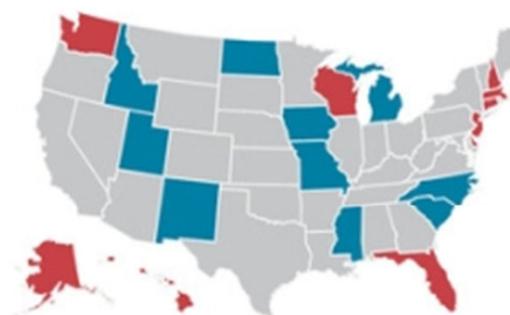
• Hospital care is spending for services provided in hospitals, including outpatient care, operating-room fees and services of resident physicians.



Physician and Clinical Services

Highest	Lowest
Alaska ... \$2,570	Utah \$1,189
Mass. 2,078	Mo. 1,277
N.J. 2,049	Idaho 1,287
Del. 1,978	N.D. 1,306
Conn. 1,952	Mich. 1,366
Fla. 1,950	Iowa. 1,381
Wis. 1,879	Miss. 1,391
Hawaii ... 1,873	S.C. 1,399
N.H. 1,863	N.C. 1,401
Wash. ... 1,842	N.M. 1,440

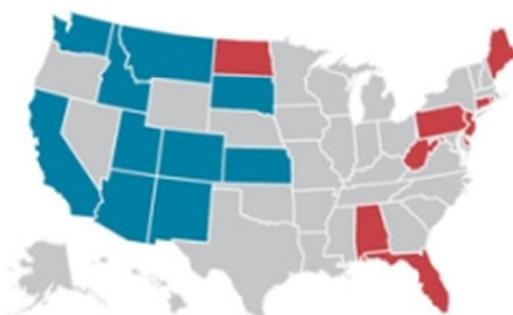
• Physician and clinical services is treatments in health professionals' establishments.



Prescription Drugs and Other Nondurables

Highest	Lowest
Conn. \$1,269	Colo. \$690
R.I. 1,230	Mont. 733
Del. 1,219	Idaho 739
Fla. 1,213	Utah 741
N.D. 1,185	S.D. 768
Ala. 1,179	Calif. 786
W.Va. 1,175	N.M. 791
N.J. 1,171	Ariz. 804
Maine 1,126	Wash. 807
Pa. 1,113	Kan. 822

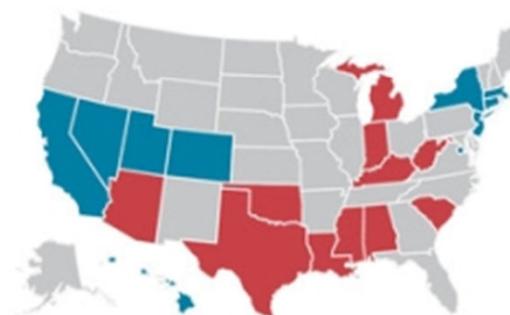
• Prescription drugs and other nondurable medical products include over-the-counter drugs such as cough and allergy medications and medical sundries such as surgical dressings or thermometers.



Obesity

Highest	Lowest
Miss. ... 34.9%	Colo. 20.7%
La. 33.4	Hawaii ... 21.8
W.Va. ... 32.4	Mass. ... 22.7
Ala. 32.0	D.C. 23.7
Mich. ... 31.3	N.J. 23.7
Okl. 31.1	Calif. ... 23.8
Ariz. ... 30.9	Utah ... 24.4
Ind. 30.8	Conn. ... 24.5
S.C. 30.8	Nev. 24.5
Ky. 30.4	N.Y. 24.5
Texas ... 30.4	

• Obesity is 2011 rate among adults calculated from respondents' self-reported weight and height.



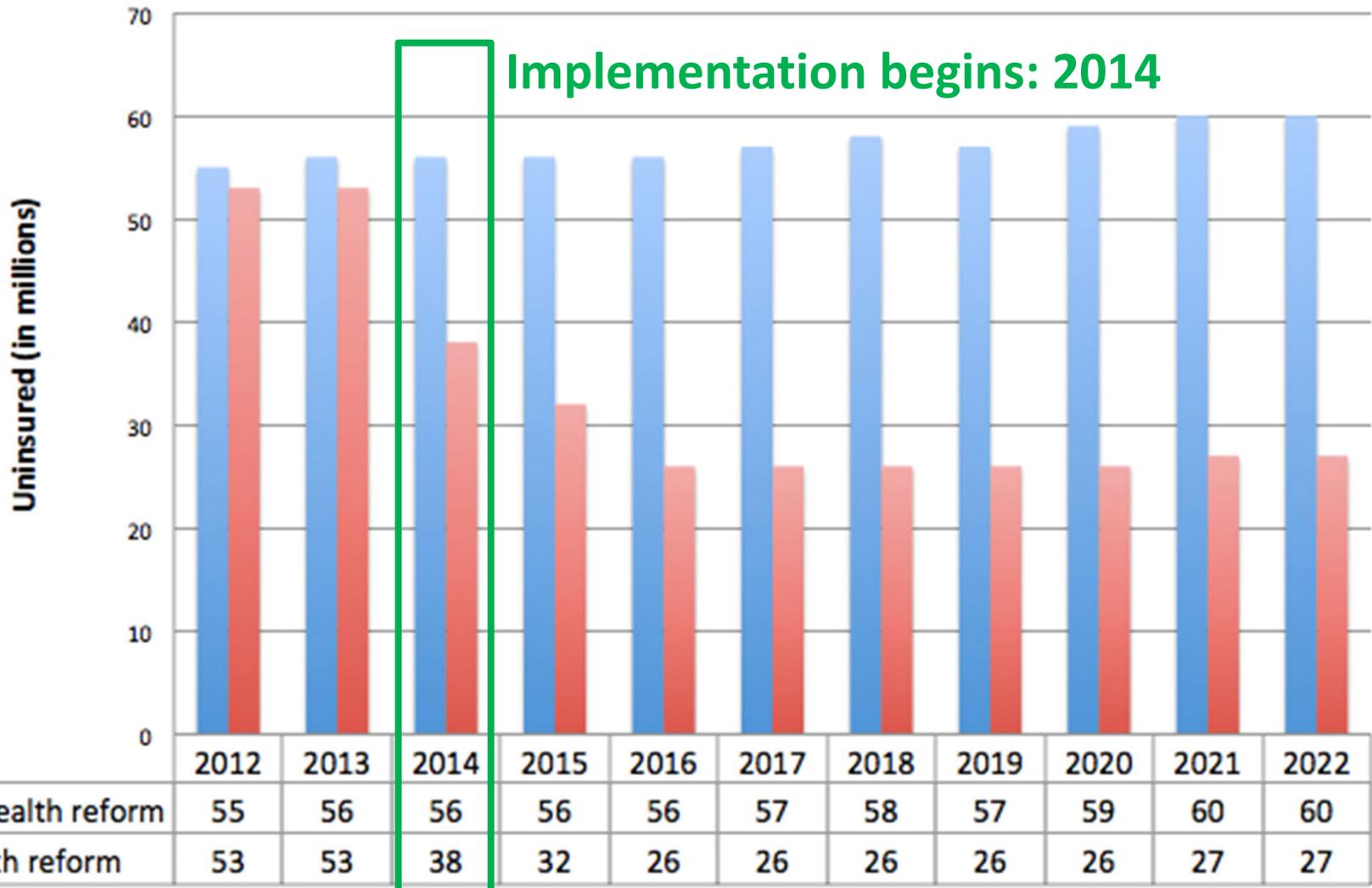
Note: All spending figures are per capita in 2009.

Sources: Centers for Medicare and Medicaid Services (spending data); Census Bureau (population); Centers for Disease Control and Prevention (obesity)

The Wall Street Journal

Impact of the Affordable Care Act

Uninsured population, with and without health reform



How the ACA is funded: Cuts

Total: \$741 billion

[2013-2022]

Uncompensated care
for hospitals (DSH)

Other

\$114

\$56

Medicare
payment rates

\$415

\$156

Medicare Advantage
(Part D)

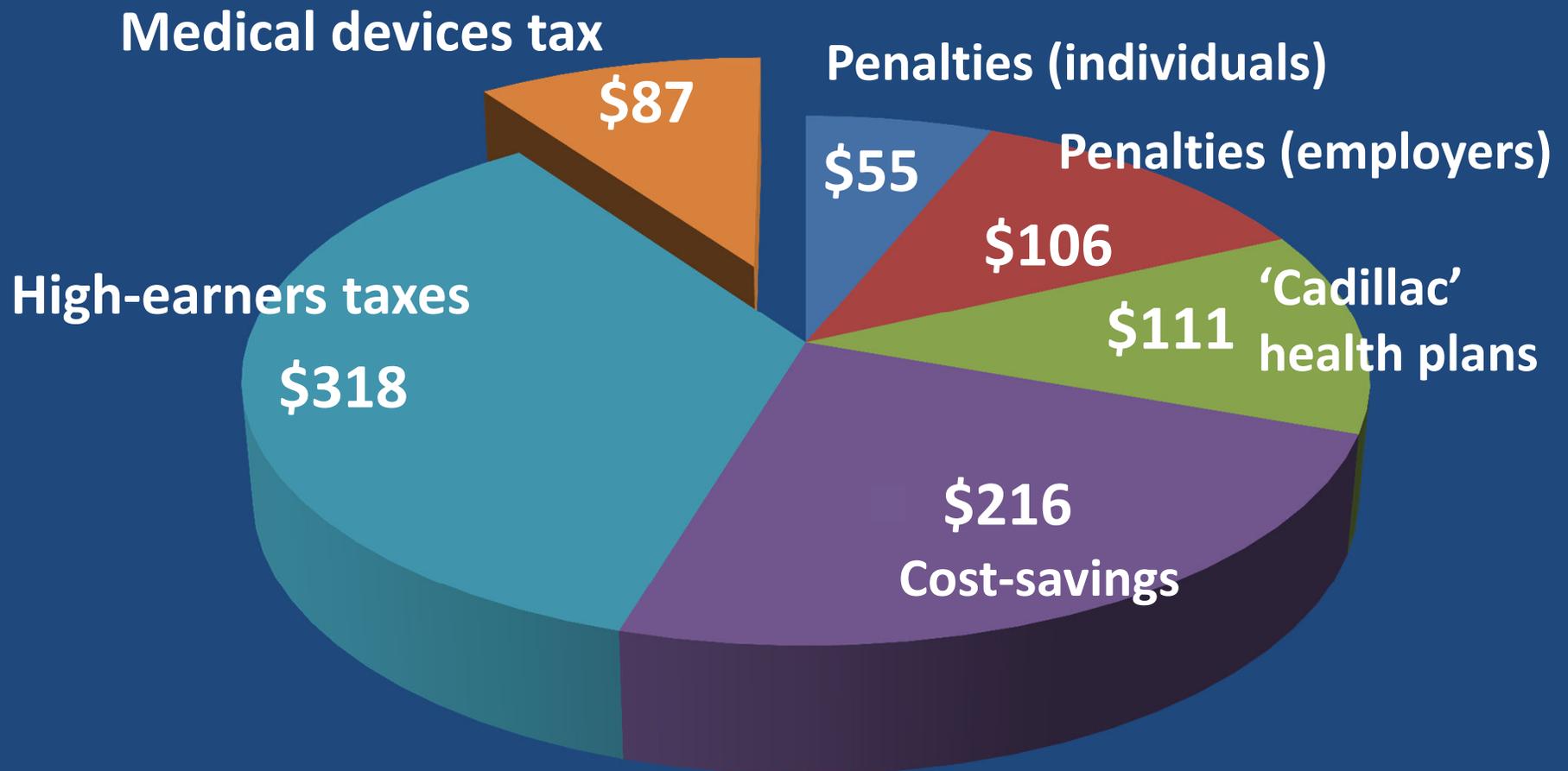
[Chart] Washington Post Wonkblog

<http://www.washingtonpost.com/blogs/wonkblog/wp/2012/08/30/how-congress-paid-for-obamacare-in-two-charts/>

How the ACA is funded: Revenues

Total: \$893 billion

[2013-2022]



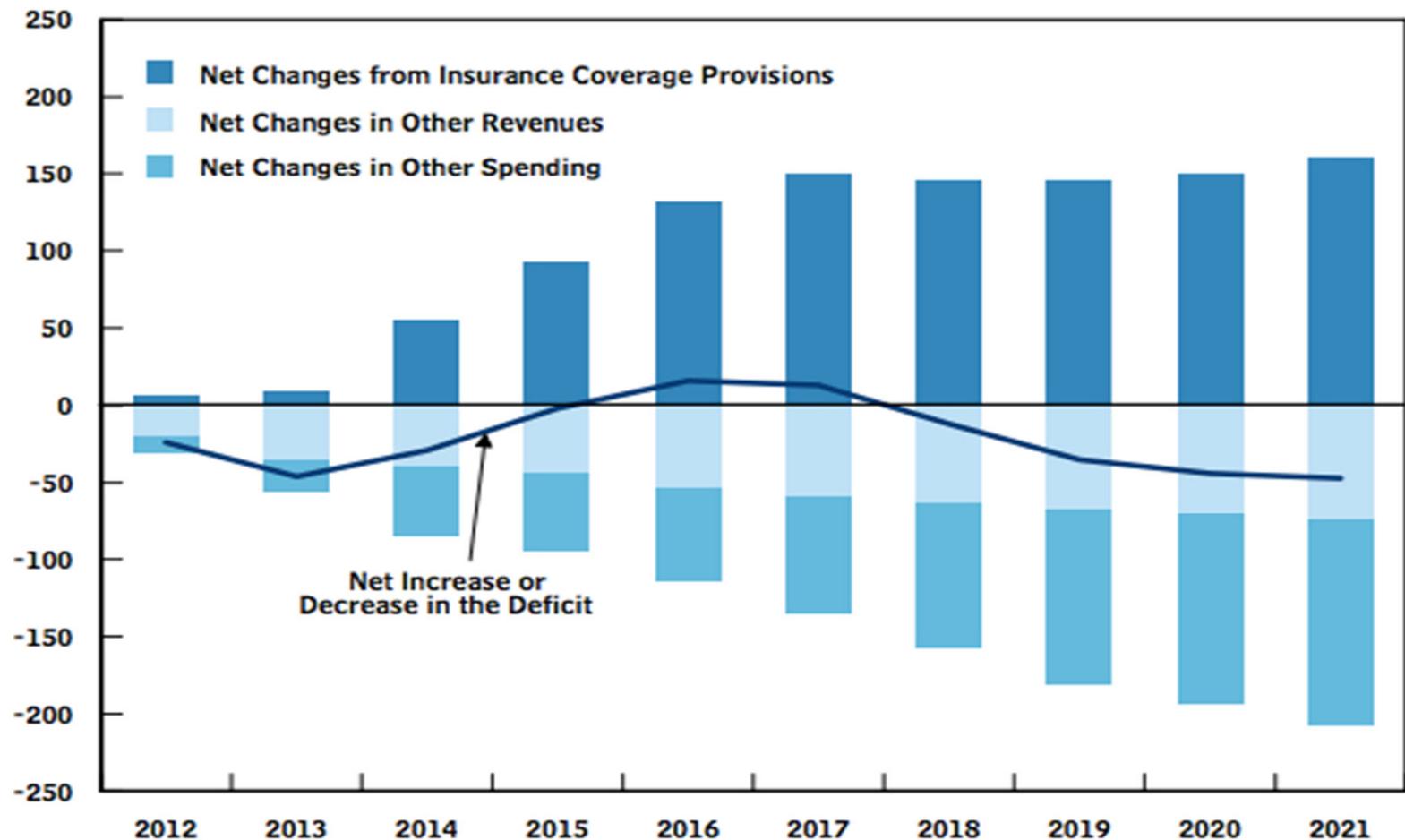
[Chart] Washington Post Wonkblog

[http://www.washingtonpost.com/blogs/wonkblog/wp/2012/08/30/how-congress-paid-for-obamacare-in-two-charts//](http://www.washingtonpost.com/blogs/wonkblog/wp/2012/08/30/how-congress-paid-for-obamacare-in-two-charts/)

The ACA and the Deficit

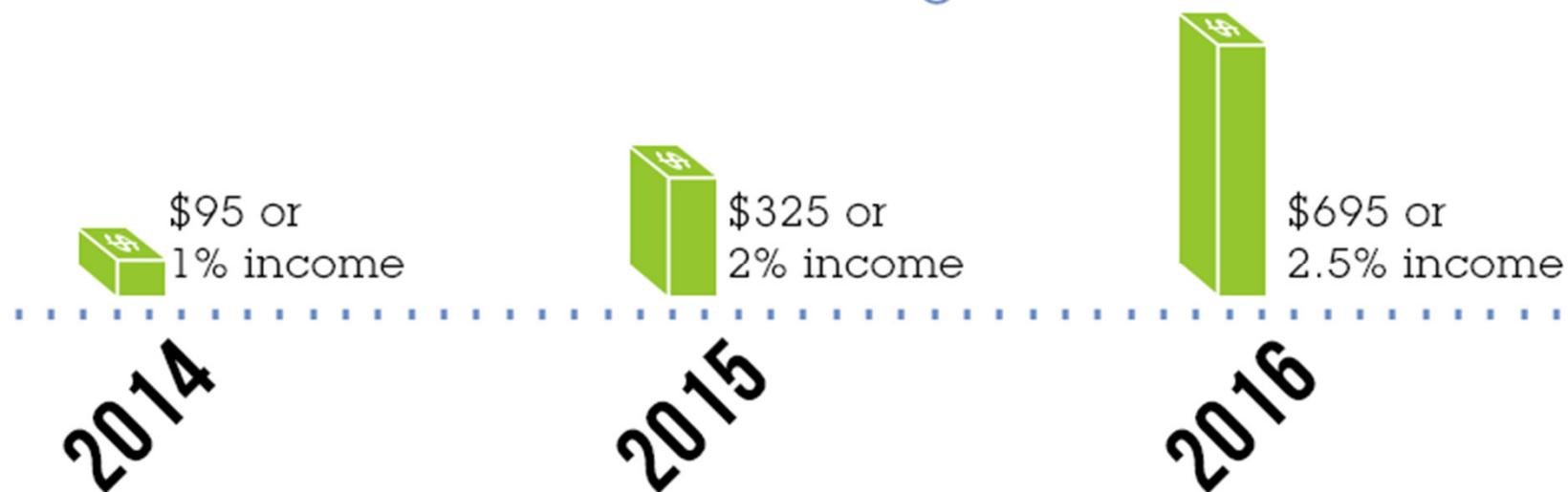
Estimated Effects of PPACA and the Health Care Provisions of the Reconciliation Act on the Federal Budget

(Billions of dollars, by fiscal year)

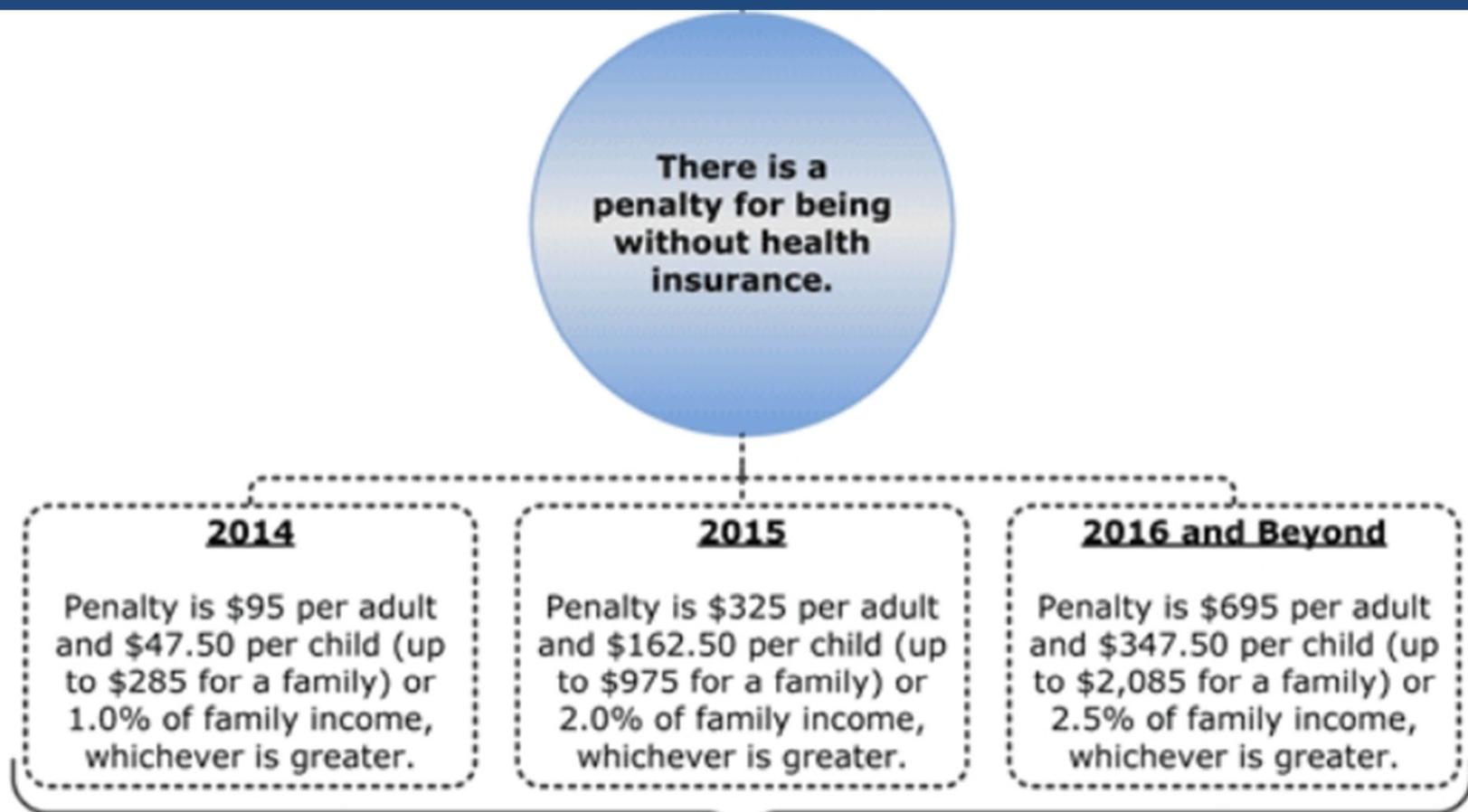


The ACA and Individual Penalties

THE
AFFORDABLE CARE ACT
Penalties for Not Enrolling in Health Plan



The ACA and Individual Penalties



The penalty is pro-rated by the number of months without coverage, though there is no penalty for a single gap in coverage of less than 3 months in a year. The penalty cannot be greater than the national average premium for Bronze level coverage in an Exchange. After 2016, penalty amounts are increased annually by the cost of living.

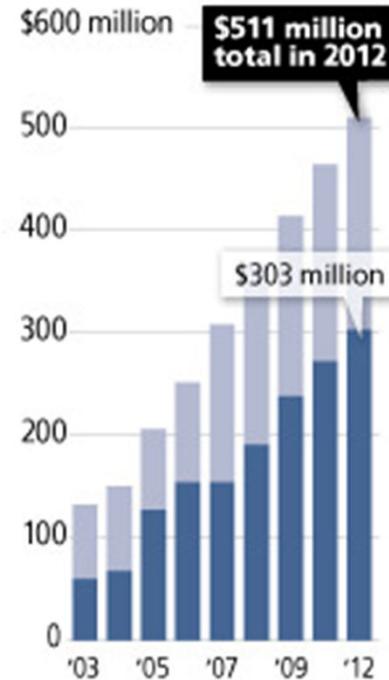
How do the uninsured receive care?

What hospitals end up paying

- Bad debt
- Charity care¹

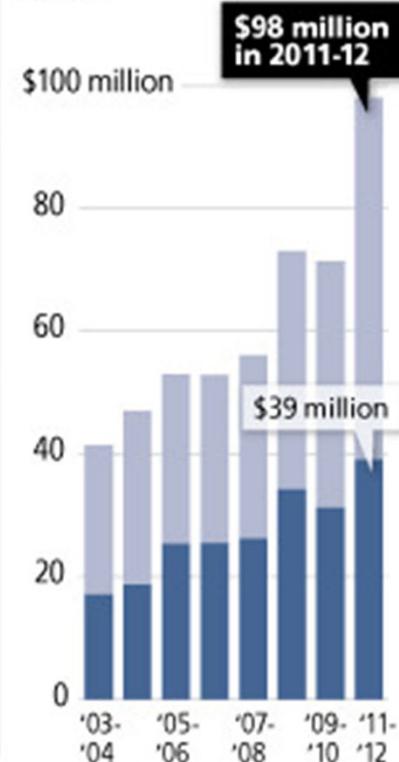
Intermountain Healthcare*

Figures from 2003 to 2008 account for 19 Utah hospitals and one in Idaho, clinics and homecare services. In 2009, the non-profit chain added two more hospitals.



University of Utah Hospitals and Clinics

Non-profit system includes University Hospital, Moran Eye Center, Huntsman Cancer Institute and the Orthopaedic Center.



[1] "Utah hospitals absorb \$698 million in unpaid bills," *Salt Lake Tribune*, February 6, 2013

Want to learn more?



■ Call or email UHPP to schedule a presentation just like this one

Jason Stevenson

Education and Communications Director

cell. 617-290-8188

work. 801-433-2299 ext. 7

stevenson@healthpolicyproject.org