



Implementation Timeline for Health Reform, 2010-11

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March 22, 2010

March 23, 2010

President Obama signs the Patient Protection and Affordable Care Act into Law

- Tax credit of up to 35% of premiums to **small businesses** (25% for non-profits) with 25 workers or less that offer their employees health insurance in calendar year 2010
- Provides a \$250 rebate to **Medicare beneficiaries** who hit the prescription drug donut hole in calendar year 2010
- Establishes a **National Health Care Workforce Commission** to better align federal resources with national needs
- Provides tax relief and expands funding for **health professionals in state loan repayment/forgiveness programs** by \$125 million annually through 2014 to improve availability of health care services in underserved/health shortage areas
- Enhances **health care provider screening procedures** to address waste and fraud in the health care system
- Expands Medicare to **individuals exposed to environmental health hazards in an area subject to an emergency declaration, and have developed chronic health conditions as a result** as of June 17, 2009
- Authorizes the FDA to approve **generic versions of biologics** after 12 years of exclusivity

- \$1 billion credit to encourage investments in **new therapies to prevent, diagnose, and treat acute and chronic disease**
- Terminates the Federal Coordinating Council for Comparative Effectiveness Research and initiates establishment of the independent non-profit **Patient-Centered Outcomes Research Institute** to identify national priorities in comparing the effectiveness of treatments and strategies
- Establishes a five year grant program to support delivery of **evidence-based and community-based prevention and wellness services**
- Creates **Preventive Services Task Force** and **Community Preventive Services Task Force** to develop, update, and disseminate evidence-based recommendations
- Establishes the **National Prevention, Health Promotion and Public Health Council** and creates the **Prevention and Public Health Fund** with FY 2010 appropriation of \$500 million, increasing annually to \$2 billion in 2015 and beyond to expand and sustain public health and prevention programs
- Initiates new annual funding for the **National Health Service Corps**, appropriating \$320 million for FY 2010 and up to \$1.1 billion in 2015 and increasing 1% annually thereafter
- Initiates new annual grants for **nurse-managed health clinics**, appropriating \$50 million for FY 2010 and increasing thereafter
- Appropriates \$25 million in FY2010 and \$50 million annually for two years towards **Teaching Health Centers** to operate primary care residency programs
- Requires HHS to create programs to facilitate development of **medical homes and other collaborative team management**
- Appropriates \$500 million in FY2010 towards the **Cure Acceleration Network** to pursue high need cures
- Appropriates \$60 million in FY 2010 for scholarships **towards mid-career public health professionals**, with annual appropriations through 2015
- Appropriates \$17.5 million annually for FY 2010-2014 for a **Ready Reserve Corps** to address national emergencies and public health disasters
- Appropriates \$35 million annually for FY2010-2013 for **mental and behavioral health education and training grants**

- Appropriates \$39.5 million annually for FY2010-2013 towards **fellowship training grants in public health**
- Appropriates \$50 million annually for FY2010-2015 to expand **Centers of Excellence**
- Appropriates \$60 million annually for FY2010-2014 for educational assistance in health professions to **individuals from a disadvantaged background**
- Appropriates \$23 million for the period FY2010-2014, and \$20 million for each five-year period thereafter for **grants toward early detection of medical conditions related to environmental health hazards**

April 1, 2010

- Extends **Medicaid federal match (FMAP) to cover MIAs** up to 133% FPL

June 22, 2010 (90 Days After Enactment)

- Provides \$5 billion for **uninsured individuals with pre-existing conditions** to obtain insurance coverage in high-risk pools through 2014
- Creates a temporary re-insurance program for **employers that provide benefits to retirees age 55-64** to help offset the costs of expensive health claims

July 1, 2010

- A 10% tax is imposed on **indoor tanning services**
- Establishes **a website with coverage options in a standard format** to help individuals compare health plans

September 22, 2010 (6 Months After Enactment)

- Permanently bans health plans from dropping insurance coverage **when an individual gets sick** in order to avoid covering the costs of care
- Permanently bans health plans from denying coverage to **children with pre-existing conditions** (extends to adults in 2014)
- Permanently bans health plans from placing lifetime caps and restrictive annual caps on **an individual's health insurance coverage** in order to avoid the costs of expensive care
- Requires new private health plans to **cover preventive services** while exempting such services from co-payments and deductibles (applies to all plans in 2018)
- Requires new private health plans to implement **an effective appeals process** for beneficiaries disputing plan actions
- Allows **children up to their 26th birthday** to remain on the parents' insurance policy
- Requires health plans **to report medical loss ratios (MLRs)** in individual and small group markets
- Establish an independent **National Health Care Workforce Commission** to provide nonbiased recommendations to better align federal health care workforce resources with national needs

January 1, 2011

- Requires health plans to meet **minimum medical loss ratios (MLRs) of 80% and 85% in the nongroup and large group markets**, and provide customers with rebates if not met
- Freezes **Medicare Advantage** payment increases
- Provide 50% discount on brand-name drugs for **enrollees in the Medicare Part D donut hole**
- Establishes the **Community-Based Collaborative Care Network Program** with five years of appropriations to support consortiums to coordinate and integrate health care services for uninsured and underinsured populations

- Requires employers to report **the value of health benefits** on each employees' FY 2011 W-2 tax form
- Provides a 10% Medicare bonus payment for **primary care physicians**
- Initiates new funding for **community health centers**, \$1B in 2011 increasing to \$3.6 billion in 2015, with additional \$1.5 billion annually for infrastructure renovation
- Requires **chain restaurants and vending machines** to display calorie information for each menu item
- Appropriates \$50 million for **state tort reform demonstration projects**
- Allows unused residency training slots to be redistributed to increase **primary care training** in underserved areas
- Establishes a **public long-term care insurance program (CLASS Act)** to be financed by voluntary payroll deductions
- Establishes a **Center for Medicare & Medicaid Innovation** to pursue payment and delivery reform models
- Establishes a free annual wellness visit and personalized prevention plan for **Medicare beneficiaries**
- Requires health plans to cover tobacco cessation programs for **pregnant women**
- Creates a new option for **Medicaid enrollees with multiple chronic conditions**, providing states up to 90% FMAP to enroll
- Increases tax on **HSA withdrawals for non-qualified health expenditures** from 10% to 20%
- Addresses **health care workforce shortage** through a variety of loans, grants, and scholarships towards training programs
- Imposes **\$2.5 billion fee on pharmaceutical manufacturers** according to market share
- Establishes a **Simple Cafeteria Plan** to provide small business with a vehicle to provide benefits to their employees

- Establishes a five-year \$200 million grant program to **small employers that initiate wellness programs**
- Due date for an HHS **National Quality Improvement Strategy**
- Initiates \$10 million in annual funding towards **geriatric career incentive rewards** through 2013

July 1, 2011

- Prohibits federal Medicaid payments for services related to **hospital-acquired conditions**

October 1, 2011

- Establishes the **Community First Choice Option**, allowing states to offer home/community based services to disabled individuals through Medicaid

Resources:

Senate: HR 3590: <http://democrats.senate.gov>

Reconciliation Act: HR 4782: http://www.rules.house.gov/bills_details.aspx?NewsID=4606

Manager's Amendment: <http://democrats.senate.gov/reform/managers-amendment.pdf>