

Review of the Affordable Health Choices Act (Kennedy Bill)

Below is a review of those measures contained in the ***Affordable Health Choices Act*** – introduced by Senator Edward Kennedy (D-MA) via the Senate Health, Education, Labor, and Pensions (HELP) Committee – that correspond to issues contained in ENA’s ***Health Care Reform Platform*** or ***Public Policy Agenda***.

Current Status of Health Care Reform

Five congressional committees have jurisdiction over various aspects of federal health care reform: House Ways and Means, House Energy and Commerce, House Education and Labor, Senate Health, Education, Labor, and Pensions (HELP), and Senate Finance. All the committees have some health reform activity underway. Both the HELP and Finance Committees met with various members of the health community (largely of consumer and insurance groups) for months to develop compromise legislative packages. No doubt health industry interests, employers, and taxpayers are going to have to make painful concessions to raise the needed \$1 trillion to cover a health reform plan of universal access to comprehensive care.

A showdown over a plan likely will surface when the committees start releasing health care reform legislation – to date they have only been dealing with drafts and prospective amendments. Inkings of the funding fight to determine the shape of the reform effort began in March when Congress started the budget resolution proceedings. In the recently passed budget resolution, both the House and Senate rejected President Obama's plan to set aside \$634 billion as a "down payment" on his health care reform proposal – an amount that would have covered only about half the plan's expected cost. The rejection took the form of a refusal to commit any dollar amount to health reform.

The Senate Finance Committee was the first to release a "trial balloon" version of what might be in the health care overhaul bill that the committee now hopes to mark up in mid-July. Released in April and May, these proposals focused on payment reform, primary care, chronic care management, workforce, health information technology, and care coordination.

The Senate HELP Committee released a draft of their health care reform bill (600+ pages) in early June. This legislation addresses access and affordability of health insurance, reforming the health care delivery system, prevention and wellness, and long term supports and services for seriously disabled Americans.

The House Tri-Committee draft discussion bill was released June 19, 2009 (800+ pages). Action in the House is expected to occur by the end of July.

The President wants to sign a health care reform bill into law by November. In order to meet the President's deadline, health care reform legislation must move through the committee and floor process in the House and Senate by the end of July with the conference process completed during September/October. The Senate is expected to continue to work on its version of health care reform after the July 4th recess.

Emergency and Trauma Care Systems

Regionalized Systems for Emergency Care, including Acute Trauma

This section provides funding to help improve regional coordination of emergency services. Access to the emergency medical system will be facilitated and a mechanism to ensure that patients are directed to the most appropriate medical facility will be established. Inter-facility resources will be tracked and coordinated in real time.

Trauma Care Centers and Service Availability

This section reauthorizes and improves the trauma care program, providing grants to strengthen the nation's trauma centers. Grants are targeted to assist centers in underserved areas susceptible to funding and workforce shortages.

The above provisions are an incorporation into the Kennedy bill of the ***National Trauma Center Stabilization Act***, S. 733.

Health Care Workforce Issues

Title VIII Reauthorization

The ***Affordable Health Choices Act*** includes reauthorization for the Title VIII Nursing Workforce Development Programs at the Health Resources and Services Administration (HRSA). ENA supports increased funding for the Nursing Workforce Development Programs at a level to meet current and future health care needs as well as increased nurse faculty scholarship funding to develop the next generation of educators and mid-level practitioners and increases scholarship funding for entry into practice.

- **Advanced nursing education grants** – Strengthens language for accredited nurse midwifery programs to receive advanced nurse education grant.
- **Geriatric education and training** – Authorizes \$12 million to geriatric education centers to support training in geriatrics, chronic care management, and long-term care for faculty in health professions schools and family caregivers; develops curricula and best practices in geriatrics; expands the geriatric career awards to advanced practice nurses, clinical social workers, pharmacists, and psychologists; and establishes traineeships for individuals who are preparing for advanced education nursing degrees in geriatric nursing.
- **Loan repayment and scholarship program** – Adds faculty at nursing schools as eligible individuals for loan repayment and scholarship programs.
- **Nurse education, practice, and retention grants** – Awards grants to nursing schools to strengthen nurse education and training programs and to improve nurse retention.
- **Nurse faculty loan program** – Establishes a federally-funded student loan repayment program for nurses with outstanding debt who pursue careers in nurse education. Nurses agree to teach at an accredited school of nursing for at least 4 years within a 6-year period.
- **Nursing student loan program** – Increases the grant amounts and updates the years for nursing schools to establish and maintain student loan funds.

Other workforce related issues in the ***Affordable Health Choices Act*** include:

Health professions training for diversity

Provides scholarships for disadvantaged students who commit to work in medically underserved areas as primary care providers. Funding is increased from \$37 to \$51 million for 2009 through 2013. This section increases loan repayments for individuals who will serve as members of faculties of eligible institutions from \$20,000 to \$30,000.

Nurse-managed health clinics

Strengthens the safety-net and ensures that the medically underserved have access to primary care and wellness services by creating a \$50 million grant program to support nurse-managed health clinics. This is the language of

the ***Nurse-Managed Health Clinic Investment Act of 2009*** introduced earlier this year by Representative Lois Capps (D-CA) and endorsed by ENA.

Workforce diversity grants

Expands the allowable uses of diversity grants to include completion of associate degrees, bridge or degree completion program, or advanced degrees in nursing, as well as pre-entry preparation, advanced education preparation, and retention activities.

Information Technology

Health information technology standards

The Kennedy bill includes language to develop standards and protocols to promote the interoperability of systems for enrollment of individuals in federal and state health and human services programs. These standards shall allow for electronic data matching, and electronic documentation. The HHS Secretary may require State or other entities to incorporate such standards as a condition of receiving federal health IT funds.

Health information technology grants

Grants shall be awarded to develop and adapt systems to implement the standards described above.

This section does not specifically include language that would protect the privacy rights of individuals as ENA supports in its ***Health Care Reform Platform***.

Insurance Coverage/Reform

Insurance Market Reforms

The ***Affordable Health Choices Act*** will reform the individual and group health insurance markets in all 50 states to promote availability of coverage for all individuals and employer groups. Under these new requirements, premium payments for insurance policies within each market will be permitted to vary only by family structure, geographic region, the actuarial value of benefits provided, and age. Rates specifically will not be permitted to vary based on gender, class of business, or claims experience. Insurers will be permitted to incentivize health promotion and disease prevention practices. Guaranteed issue and guaranteed renewability will be required in all states in each individual and group health insurance market.

Support for Affordable Health Coverage

To reduce the economic burden of health care on vulnerable Americans, low income and moderate income Americans who enroll in plans through the “gateways” established in the legislation will be eligible for premium credits. Credits are provided on sliding scale, so that those at lowest incomes receive the most help. Gateways, which will provide information on health insurance options, will administer these credits. The premium credits would be on a sliding scale, with those at a lower income receiving more

Shared Responsibility Payments

All individuals will be required to obtain health insurance coverage. Exemptions will be made for individuals for whom affordable health care coverage is not available or for those for whom purchasing coverage creates an exceptional financial hardship. The Secretary of the Treasury in consultation with HHS will determine the minimum penalty needed to accomplish the goal of substantially increasing coverage. The mandate is not applicable in states where “gateways” are not yet operating.

Small Business Tax Credits

Eligible small employers will be permitted to access tax credits based on the number of full time employees, the proportion of employees provided health insurance, and employee wages. Credits will be equal to 50% of the

average contribution small employers make for coverage. Credits phase out with increasing business size, so the firms with sizes 26 or more workers are ineligible. Credits phase out with average wages, so firms with average wages above \$40,000 are ineligible. Credits are increased for those firms that did not previously offer coverage, and decreased for those that did.

Medical Errors

Health care delivery system research; Quality Improvement Technical Assistance

The legislation creates the Patient Safety Research Center to strengthen best practice research and dissemination. Creating grants to identify and disseminate best practices to local providers and patients will prevent medical errors and reduce their associated costs.

Prevention and Wellness

Coverage of Preventive Health Services

Health insurance policies will not be allowed to impose more than minimal cost sharing for certain preventive services endorsed by the U. S. Preventive Services Task Force as clinically and cost effective, for immunizations recommended by the CDC, and for certain child preventive services recommended by HRSA.

National Prevention, Health Promotion and Public Health Council

This proposal would require the President to establish a National Prevention, Health Promotion and Public Health Council composed of secretaries, chairmen, and directors of federal departments, boards and agencies (as specified), and appoint a chairperson. The Council would be required to provide federal coordination and leadership with respect to prevention, wellness, and health promotion practices; develop, within one year of enactment, a national prevention, health promotion, public health, and integrative health care strategy; and other activities as specified. The Council would be required, not later than July 1, 2010, and annually thereafter through January 1, 2015, to report to the President and Congress on activities under the strategy, and progress toward identified goals.

Prevention and Public Health Investment Fund

This section establishes a Prevention and Public Health Investment Fund to provide for expanded and sustained national investment in prevention and public health programs to improve health and help restrain the rate of growth in private and public sector health care costs. The Fund would be established in the U.S. Treasury, with amounts appropriated or credited to it to remain available until expended. The proposal would appropriate to the Fund \$10 billion for each fiscal year (FY) from 2010 through 2019; and for FY20 and each fiscal year thereafter, an amount that is not less than the amount appropriated for FY19. Amounts in the Fund would be permitted to be appropriated to increase funding, over the FY08 level, for programs authorized by the Public Health Service Act for prevention, wellness, and public health activities, including prevention research and health screenings.

Clinical and Community Preventive Services

The first section of this proposal would convene an independent Preventive Services Task Force ("Clinical Task Force"), composed of individuals with appropriate expertise. The Clinical Task Force would be required to review the scientific evidence related to the effectiveness, appropriateness, and cost-effectiveness of clinical preventive services for the purpose of developing recommendations for the health care community, and updating previous clinical preventive recommendations for individuals and organizations delivering clinical services, including primary care professionals, health care systems, professional societies, employers, community organizations, non-profit organizations, Congress and other policy makers, governmental public health agencies, health care quality organizations, and organizations developing national health objectives.

The next section of this proposal would create a new Section 399S of the PHS Act that requires the CDC Director to establish a Community Preventive Services Task Force composed of individuals with appropriate expertise, to review the scientific evidence related to the effectiveness, appropriateness, and cost-effectiveness of community preventive interventions for the purpose of developing recommendations for individuals and organizations delivering population-based services. These would include primary care professionals, health care systems, professional societies, employers, community organizations, non-profit organizations, schools, governmental public health agencies, medical groups, Congress, and other policy makers. Community preventive services include any policies, programs, processes, or activities designed to affect or otherwise affecting health at the population level.

Community Transformation Grants

The Secretary, acting through the CDC Director, would be required to award competitive grants to State and local governmental agencies and community-based organizations for the implementation, evaluation, and dissemination of proven evidence-based community preventive health activities in order to reduce chronic disease rates, address health disparities, and develop a stronger evidence base of effective prevention programming.

Primary Care

Ensuring the Quality of Care

Health insurance policies will be required to include financial incentives to reward the provision of high quality care that includes case management, care coordination, chronic disease management, wellness and health promotion activities, child health measures, activities to improve patient safety and reduce medical errors, as well as culturally and linguistically appropriate care.

Community Health Teams

Community Health Teams will be established to support the development of medical homes by increasing access to comprehensive, community based, coordinated care. A patient's care is coordinated by an integrated team of providers that includes primary care providers, specialists, other clinicians and licensed integrative health professionals as well as community resources to enhance wellness and lifestyle improvements. It is patient-centered and holistic in its orientation.

Grants to Implement Medication Management Services in Treatment of Chronic Disease

Medication therapy management will be encouraged to reduce medical errors and improve patient adherence to therapies while reducing acute care costs. This demonstration attempts to evaluate and determine the best practices and develop quality measures specific to this service provided by pharmacists and other types of providers.

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Primary Care Extension Program

Creates a Primary Care Extension Program to educate and provide technical assistance to primary care providers about evidence-based therapies, preventive medicine, health promotion, chronic disease management, and mental health. The Center for Primary Care, Prevention, and Clinical Partnerships at the Agency for Healthcare Research and Quality will award planning and program grants to state entities including state health department, state-level entities administering Medicare and Medicaid, and at least one health professions school.