Overarching Goal of Reform Implementation

BETTER HEALTH FOR ALL MARYLANDERS
Maryland’s Collaborative Approach

State Agencies, Local Jurisdictions, Non-Profits and Private Sector

Employers
- Recruiting is Marketing
  - Broadcast Your Jobs
  - Build Your Brand
  - Attract Quality Candidates
  - Give your company a voice in the job market

Maryland's Collaborative Approach

Ministry Health and
Health Disparities
Maryland Department of Health
and Mental Hygiene

Maryland
Chamber of Commerce

MARYLAND
Insurance Administration

BCDA
Baltimore County Department of Aging

Maryland
Hospital Association

Maryland
Women's Coalition

FOR
HEALTH
CARE
REFORM

MACC
Maryland Association of Community Colleges

MedChi
The Maryland State Medical Society

NAMI
National Alliance on Mental Illness

WORKERS AHEAD

FOR
HEALTH
CARE
REFORM
HOW DOES HEALTH REFORM AFFECT CANCER TREATMENT AND PREVENTION?
Four Pillars of ACA

- Stronger, Non-discriminatory Insurance Coverage
- Expanded Access to Health Insurance and Health Care
- More Affordable Insurance Coverage
- Cost Control and Quality Improvement
Pillar I: Stronger, Non-Discriminatory Coverage – Patients’ Bill of Rights

- **Young adults** can stay on parents’ insurance plan until age 26; **52,000 in MD; 2.5 million nationwide.**

- No **children** denied coverage because of pre-existing condition.

- No **lifetime limits** on benefits and harder to rescind policies when people get sick; **2.25 million Marylanders benefiting, including over one half million children.**

- Small business **tax credits**: **66,000** eligible in Maryland.
Pillar I: Stronger, Non-Discriminatory Coverage – Patients’ Bill of Rights

- In 2014, no exclusions for pre-existing conditions or annual limits on benefits.
- Women will no longer have to pay higher premiums because they are women.
- Preventive services like mammograms, cancer screening, and flu shots; 1.2 million Marylanders covered with no cost-sharing; 554,000 on Medicare have received at no cost; 797,185 eligible.
Pillar II
Expanded Access to Care

Medicaid Expansion Projections
2014: 84,000
2015: 188,000
2020: 239,000

Health Benefit Exchange Projections
2014: 180,000
2015: 365,000
2020: 385,000

➢ More Marylanders will have access to affordable health care coverage
Pillar III
More Affordable Coverage: Support for Maryland Families and Employers

Medicaid Expansion
Up to 133% of federal poverty level (FPL) ($14,860 for individual; $30,660 for family of 4)
2014-16: 100% federally funded; 2017-20: tapers to 90%

Small Business Tax Credits: 35% of premium (2010) and 50% (2014)

Federal Subsidies for Low-Income People Between 133% and 400% FPL
($14,860-$44,680 for individual; $30,660-$92,200 for family of 4)

More low-income Marylanders will be able to afford coverage, including childless adults
PILLAR IV
Cost Control and Quality Improvement:
Save Money While Making People Healthier

Keeping people healthy:
Investments in wellness and prevention

Higher quality and more efficient care delivery models:
Pilots and demonstration projects with leadership from doctors and hospitals

Health Information Technology:
Support ongoing efforts to develop Health Information Exchange and meaningful use of Electronic Medical Records
BRINGING THESE BENEFITS OF HEALTH REFORM TO MARYLAND
Health Care Reform Coordinating Council
Established by Executive Order, March 2010

The Health Care Reform Coordinating Council (HCRC) was established under Executive Order 01.01.2010.07 to provide a comprehensive evaluation of the Federal Health Care Reform legislation, to develop a blueprint for the State’s implementation of the Affordable Care Act, and to identify critical decision points that must be considered.

In its final report delivered on January 1, 2011, the HCRC set forth this blueprint, which included short- and long-term recommendations on how the State can implement federal reform most effectively.

Recognizing that effective implementation will require continued leadership, oversight, and coordination, the HCRC included in its recommendations the establishment of a Governor’s Office of Health Care Reform; and

The HCRC recommended further that its membership be expanded to include two additional legislative members, the Chair of the new Health Benefits Exchange, and the Secretary of the Department of Labor, Licensing and Regulation because of the valuable insight these representatives will be able to provide regarding implementation of key provisions of the Affordable Care Act.

NOW, THEREFORE, I, MARTIN O’MALLEY, GOVERNOR OF THE STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND THE LAWS OF MARYLAND, HEREBY RECYCLE EXECUTIVE ORDER 01.01.2010.07 AND PROCLAIM THE FOLLOWING EXECUTIVE ORDER, EFFECTIVE IMMEDIATELY:

A. Established. There is a Co-Reform (Office). The Office shall

✓ Composed of executive and legislative branch leaders in health care
✓ Directed to examine the Affordable Care Act and make recommendations to the Governor and General Assembly as to how the State should implement federal health care reform in ways that would work best for Maryland.
HCRCC Report: 16 Recommendations in 5 Categories

- Health Benefit Exchange and Insurance Market
- Health Care Delivery and Payment Reform
- Public Health, Safety Net, and Special Populations
- Workforce Development
- Communications/Outreach and Leadership/Oversight
Leadership/Oversight

**Recommendation**

#16 Continued leadership and oversight of health care reform

**Progress**

- Health Care Reform Coordinating Council extension and expansion
- Governor’s Office of Health Care Reform
Recommendations

#1 Establish Exchange; #2 Develop seamless entry into public and private coverage. #15 Preserve Maryland’s strong base of employer-sponsored insurance.

Progress

✓ Health Benefit Exchange Act of 2011
✓ Innovator/Establishment Level I and II grant awards - $157 M
✓ IT infrastructure – contract awarded and design begun
✓ MIA enhanced rate review policies and $3.96 million grant
✓ Exchange Board’s December, 2011 report
✓ Maryland Health Benefit Exchange Act of 2012
✓ Executive Director Rebecca Pearce, and other staff on board
✓ Plan Management and Navigator Advisory Committees
✓ Name/Branding of Exchange – Maryland Health Connection
Maryland Health Benefit Exchange

Hybrid Model of Governance:
Public Corporation
- Transparency, openness, and accountability of government
- Hiring and contracting flexibility of private sector

EXCHANGE BOARD OF DIRECTORS

Joshua Sharfstein, Secretary, Maryland Dept. of Health & Mental Hygiene
Therese Goldsmith, Commissioner, Maryland Insurance Administration
Ben Steffen, Acting Executive Director, Maryland Health Care Commission
Kenneth Apfel, Professor, University of Maryland School of Public Policy
Georges Benjamin, M.D., Executive Director of American Public Health Association
Darrell Gaskin, Ph.D., Professor, Johns Hopkins Bloomberg School of Public Health
Jennifer Goldberg, J.D., LL.M., Assistant Director of Advocacy for Elder Law and Health Care, Maryland Legal Aid Bureau
Enrique Martinez-Vidal, M.P.P., Vice President at AcademyHealth, Director of the Robert Wood Johnson Foundation's State Coverage Initiatives program
Thomas Saquella, M.A. retired President, Maryland Retailers Association
MARYLAND HEALTH BENEFIT EXCHANGE ACT OF 2012: COMPONENTS

- Operating Model
- Design of Small Business Health Options Program (SHOP) Exchange
- Outreach and Consumer Assistance – “Navigator” Programs
- Dental and Vision plans
- Essential Health Benefits
- Risk adjustment and reinsurance programs
- Fraud, waste and abuse detection and prevention program
- Market rules
- Exchange Financing
- Scope of Exchange’s authority and interstate contracting
# ADDITIONAL ECONOMIC BENEFIT OF HEALTH BENEFIT EXCHANGE AND MEDICAID EXPANSION

<table>
<thead>
<tr>
<th>Economic Benefit</th>
<th>2104</th>
<th>2015</th>
<th>2020</th>
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<tbody>
<tr>
<td>Federal Subsidies</td>
<td>$254 Million</td>
<td>$607 Million</td>
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<tr>
<td>Increase in Total Health Expenditures</td>
<td>$1.06 Billion</td>
<td>$2.08 Billion</td>
<td>$3.9 Billion</td>
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<tr>
<td>Number of New Jobs</td>
<td>9,000</td>
<td>16,000</td>
<td>26,000</td>
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</tbody>
</table>
Health Care Delivery and Payment Reform

**Recommendations**

#12 Enhance quality and reduce costs through payment reform and delivery innovations.

#13 Improve access to primary care.

#14 Reduce and eliminate health disparities through financial, performance-based incentives and other strategies.

**Progress**

- HCRCC’s Health Care Delivery and Payment Reform Committee, John C. Colmers and Laura Herrera, Co-chairs
  - Identifies and supports successful clinical innovations, financial mechanisms and integrated programs underway in private sector to promote delivery system reform
  - Website, [www.dhmh.maryland.gov/innovations](http://www.dhmh.maryland.gov/innovations)
Health Care Delivery and Payment Reform

Further Progress

✔ Health Quality & Cost Council
  ❖ Public-private Partnership to address chronic disease management, wellness and prevention, new care delivery models, health disparities, and other quality and cost control measures
  ❖ Maryland Patient Centered Medical Home Pilot

✔ Health Disparities Workgroup of HQCC
  ❖ Maryland Health Improvement and Disparities Reduction Act of 2012
  ❖ Health Disparities Collaborative

✔ Balancing Incentives Payment Program
  ❖ $106 million grant

✔ Health Service Cost Review Commission
  ❖ Total Patient Revenue, Quality-based Reimbursement Initiative, and Hospital Acquired Conditions Initiative

✔ Chronic Health Home model
ACCOUNTABLE CARE ORGANIZATIONS

New type of health care entity in which physicians, hospitals, and other providers of Medicare-covered services agree to be held accountable for improving the health and experience of care while reducing the rate of growth in health care spending. Studies have shown that better care often costs less; coordinated care helps to ensure that the patient receives the right care at the right time and helps avoid unnecessary duplication of services and dangerous medical errors.

MARYLAND ORGANIZATIONS SELECTED

Accountable Care Coalition of Maryland, LLC, Hollywood, MD, 109 physicians
Greater Baltimore Health Alliance Physicians, LLC, partnerships between a hospital and ACO professionals employing ACO professionals, with 399 physicians.
Maryland Accountable Care Organization of Eastern Shore LLC, National Harbor, 15 physicians.
Maryland Accountable Care Organization of Western MD LLC, National Harbor, ACO group practices and networks of individual ACO practices, with 23 physicians.
Public Health, Safety Net, and Special Populations

#4 Develop state/local strategic plans for better health outcomes.
#5 Encourage active participation of safety net providers in health reform and new insurance options.
#6 Improve coordination of behavioral health and somatic services.
#7 Promote access to quality care for special populations.

Progress

✓ State Health Improvement Process
  ▪ Funding for local coalitions – 17 grants totaling $600,000
✓ Expanded health officers’ authority to contract for health care services
✓ CHRC plan for technical assistance for safety net providers
✓ Community Transformation grant for chronic disease prevention
✓ Community Health Centers – federal grants totaling $17.7 million
✓ Enhanced public health funding ($9.7 M in FY’13 budget) for programs like: Maternal, Infant and Early Childhood Home Visiting program; teen pregnancy reduction programs; Coordinated Chronic Disease program; Enhanced HIV prevention program
Workforce Development

- Governor’s Workforce Investment Board’s release of blueprint “Preparing for Health Reform: Health Reform 2020”

- Health Enterprise Zones – Maryland Health Improvement and Disparities Reduction Act of 2012 includes incentives for primary care providers to practice in underserved areas (e.g., loan assistance and tax credits).

- Workforce Advisory Committee – GOHR convening a group of educators, practitioners, and other stakeholders to recommend short and long-term workforce development initiatives, including:
  - Training opportunities to increase workforce diversity and align with emerging care delivery models; workforce redesign (e.g., community health workers, nurse navigators).
  - Workforce data – comprehensive data collection, analysis, and reporting.
  - Licensing and credentialing – identify opportunities to streamline, reduce barriers, and make more efficient.
Workforce Development

AFFORDABLE CARE ACT PROVISIONS

- **Primary care**: Supports the training and development of more than 16,000 new primary care providers over the next five years.

- **Community health centers and new clinical settings**: Establishes new nurse-managed health clinics to train nurse practitioners and operate in underserved communities; provides new funding for community health centers.

- **Loan forgiveness and scholarships**: The National Health Service Corps expanded to repay student loans and provide scholarships for more primary care physicians, physician assistants and nurse practitioners willing to work in underserved areas.

AFFORDABLE CARE ACT FUNDING FOR MARYLAND

- $4.98 million to support training of public health providers to improve preventive medicine, health promotion and disease prevention.
GOAL

*Build public support for health care reform and help Marylanders understand how to benefit from it.*

- GOHR collaboration with Robert Wood Johnson Foundation’s communications experts to develop strategic plan and revamp website
- Launch of new consumer-centric website in March, 2012
- Communications and Outreach Public/Private Advisory Committee
- Ongoing communications efforts, development of materials, and coordination with Exchange naming, branding, and strategic planning
What does health care reform mean for me?

Lots of Marylanders are asking this question. That’s why we created this site to give you answers about how health care reform impacts you. To learn more, please select one of the options below. Be sure to visit often as we continue working to improve health care for all Marylanders.

Sincerely,

Lt. Governor Anthony G. Brown
Co-Chair, Maryland Health Care Reform Coordinating Council
Beginning in January, 2014, all plans offered in small group and individual markets inside and outside exchanges must cover “essential health benefits.”

- Ambulatory patient services;
- Emergency services;
- Hospitalization;
- Maternity and newborn care;
- Mental health & substance use disorder services;
- Prescription drugs;
- Rehabilitative and habilitative services;
- Laboratory services;
- Preventive/wellness services & chronic disease management;
- Pediatric services, including oral and vision care
ESSENTIAL HEALTH BENEFITS: HCRCC’S SELECTION OF BENCHMARK PLAN

STATE EMPLOYEE HEALTH PLAN

- Plan offers meaningful, relatively comprehensive coverage of all ten categories required by the ACA, but not so robust as to be unaffordable;
- Only option which covers all benefits mandated under State law;
- Meets requirements of the Mental Health Parity and Equity Addiction Act;
- Prescription drug benefit with open formulary;
- Received support of majority of stakeholders.
QUESTIONS

www.healthreform.maryland.gov

carolyn.quattrocki@maryland.gov