Access to Health Care in Colorado

Michael McDermott MD
Director, Endocrinology and Diabetes Practice
University of Colorado Hospital
Case History

Holly is a 22 year old woman who was diagnosed with type 1 Diabetes Mellitus at age 6. She has been taking multiple daily insulin injections since that time. Holly’s mother died when she was 9 years old and her father left home a year later. She was raised by her aunt. She went through rough times during her teen years and her diabetes was poorly controlled. At age 19, she discovered her talent and love for art. She now sells enough paintings to local stores and galleries to support herself. However, she cannot afford health insurance. She has worked with us to get her blood glucose levels under good control but she now has progressive diabetic retinopathy that may lead to blindness. Blindness would rob her of her ability to pursue her art and to support herself. Laser therapy can prevent further progression of her retinopathy and eventual blindness. However, she is uninsured and cannot find a specialist who will perform this procedure.
Access to Health Care in Colorado

Colorado Population (2010): 5,029,196
No Health Insurance (2011): 829,000 (16%)
Insufficient HI (2011): 675,000 (13%)
No or Insufficient HI (2011): 1.5 Million

The majority of these 829,000 have no PCP

Almost all have no access to Specialists
Access to Health Care in Colorado

The Majority of Uninsured Coloradans are Caucasian. Hispanics are Disproportionately Affected.
Access to Health Care in Colorado

Age and Lack of Insurance

<table>
<thead>
<tr>
<th>Age:</th>
<th>0-18</th>
<th>19-34</th>
<th>35-54</th>
<th>55-64</th>
<th>≥ 65</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent</td>
<td>8.2%</td>
<td>27.7%</td>
<td>21.9%</td>
<td>13.6%</td>
<td>0.8%</td>
</tr>
</tbody>
</table>
Access to Health Care in Colorado

Income and Lack of Insurance
FPL = Federal Poverty Level

- > 400%: 3.7%
- 301-400%: 8.9%
- 201-300%: 11.4%
- 101-200%: 23.9%
- ≤ 100%: 28.3%
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- Uninsured rate related to unemployment rate
- Best way to ↓ uninsured rate is ↓ unemployment rate
- But many who are uninsured are employed
- Cost is main reason for foregoing insurance
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**Average Premium Cost**

**Family:** $12,900 (2010) (↑ 48%)

$8,739 (2003)

**Person:** $4,058 (2010) (↑ 42%)

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- Uninsured people forego preventive care and minor illness care
- They visit the ED more often
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Lack of Insurance and ED Use

- 2009: 28.6%
- 2011: 33.2%
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Colorado Medicaid and CHIP

Eligibility

- Families, Children, Pregnant Women, Blind and Disabled Persons, Elderly Persons
- Income + Resources: At or Below Federal Poverty Level ($25,390 for family of 3)

Funds: 60% Federal, 40% State
Access to Health Care in Colorado
Colorado Indigent Care Program

Eligibility

Colorado Resident or Immigrant Farm Worker;
Must be a US Citizen or Legal Immigrant

Income + Resources: At or Below 250% of Federal Poverty Level ($25,390 for family of 3)

Cannot Be Eligible for Medicaid or CHIP
The Solution to the Problem Does Not Lie with Someone Else
Access to Health Care in Colorado

Is the Government Responsible?
   Yes

Are Insurance Providers Responsible?
   Yes

Are Pharmaceutical Companies Responsible?
   Yes

Are Health Care Providers Responsible?
   Yes

Are Patients Responsible?
   Yes
Access to Health Care in Colorado

Is the Government Responsible?
Yes

Are Insurance Providers Responsible?
Yes

Are Pharmaceutical Companies Responsible?
Yes

Are Health Care Providers Responsible?
Yes

Are Patients Responsible?
Yes
Patient Protection and Affordable Care Act
2010

Individual Mandate: All Must Get Insurance

- Health Insurance Exchanges
- Subsidies for Those Who Can’t Afford These

Medicaid Eligibility Expanded to 133% of FPL

- 32 Million Americans will be newly eligible
- Includes adults without families

Insurance Industry Reforms

- Cost controls
- No pre-existing illness exclusion
Other Legislation Affecting Access
Balanced Budget Act - 1997

Sustained Growth Rate (SGR) Formula

- CMS set expenditure targets that triggered annual cuts in reimbursement to providers
- 30% payment reduction scheduled for Jan 1, 2013

Providers Stopped Seeing Medicare Patients
Other Legislation Affecting Access
Medicare Payment Advisory Commission - 2010

Sustained Growth Rate (SGR) Formula

- MedPAC recommended freezing reductions in reimbursement for primary care providers x 10 yr
- MedPAC recommended 17% reduction in reimbursement for specialists x 3 yr

Specialists Stopped Seeing Medicare Patients
Access to Health Care in Colorado

Is the Government Responsible?
Yes

Are Insurance Providers Responsible?
Yes

Are Pharmaceutical Companies Responsible?
Yes

Are Health Care Providers Responsible?
Yes

Are Patients Responsible?
Yes
Advanced Physician Leadership Program
2011-2012

**Purpose**
To collaboratively investigate and develop programs and means to improve access to high level health care for all citizens of Colorado

**Sponsors / Partners**
The Colorado Trust
The Colorado Medical Society

**Participants**
41 Colorado Physicians who are concerned about the large number of Coloradans who do not have adequate access to good health care
Advanced Physician Leadership Program
UCDSOM Participants 2011-2012

Karen Polsky
Rich Penaloza
Mike McDermott
“Go out on a limb. That’s where the fruit is.”

Jimmy Carter
Thank You
What Is Being Done About Access to Health Care?
STORIES
The Homeless

- **Jimmy**
  - 40 y/o male roofer/construction worker
  - Broke clavicle - Doc wouldn’t fix
  - Can’t raise arm above shoulder - unable to work

- **Vaughn—**
  - 42 y/o male - unemployed
  - Sinus infection X 1 month – didn’t get treatment
  - Hospitalized for 3 weeks for brain abscess (1 week ICU)

- **Eddie—**
  - 25 y/o male
  - Broke Ankle – Didn’t get it fixed
  - Ankle healed at an angle and now he walks on the side of his foot
Access To Care

- U.S is the only developed country without universal access to basic health care services; about 50 million uninsured and another 60 million underinsured
- Recent increase in uninsured because of higher unemployment rates
- If Affordable Care Act implemented, 32 million additional Americans will be covered
Patient Protection and Affordable Care Act

- Signed by President Obama on March 23, 2010
- Expands coverage to about 32 million people by 2014 (50% private, 50% public support); 95% eligible Americans would be covered: 83% now
- Expands Medicaid coverage
- Mandates all individuals be covered
- Mandates private business cover workers for firms with >200 employees
Overall Approach

- Require most U.S. and legal residents have health insurance
- Expand Medicaid to 133% of federal poverty level
- Create state-based American Health Benefit Exchanges through which individuals can purchase coverage, with premium and cost-sharing credits to individuals/families with income between 133-400% of the federal poverty level (18,310.00) and create separate Exchanges through which small businesses can purchase coverage
Insurance Reforms- 2010

- Provide dependent care coverage for adult children up to age 26
- Prohibits lifetime limits on dollar value of coverage
- Prohibits insurers from rescinding coverage except in cases of fraud
- Prohibits pre-existing condition exclusions for children
- Health plans must provide preventative services without cost sharing
- Temporary high-risk pool for individuals with pre-existing medical conditions (until Jan, 2014)
Reforms 2010 Cont’d

- Tax credits to employers with fewer than 25 employees who provide health insurance (average wages < $50,000/yr)
- Temporary reinsurance program for employers providing health insurance to retirees over age 55 who are not eligible for MC
- Require health plans to report proportion of premium dollars spent on clinical services, quality and other services
- Establish a process for reviewing increases in health plan premiums. Increases must be justified
$250 rebate to MC beneficiaries who reach the part D coverage gap. Gap gradually eliminated by 2020
- Ban new physician owned hospitals in MC facilities
- Reduce annual updates for inpatient hospital, home health, SNF, hospice and other MC providers
Expand Medicaid to all individuals age 65 or under with incomes up to 133% of Federal Poverty Level

- Guaranteed a benchmark benefit package that at least provides the essential health benefits

- Tax credits to small businesses offering health insurance coverage to workers making less than $50,000/ year
Health Insurance Exchanges

- Very confusing and unclear how these will work
- Effective January 1, 2014
- For individuals and for small businesses
- Administered by governmental agency or non-profit organization
- Public Option
- Reduced out of pocket costs for those with income under 400% FPL
- Catastrophic plan available to those under 30
How Will the PPACA Be Paid For?
$965 Billion/ 10 Years

- Individual Mandate (larger pool paying in)
- Penalties if you do not obtain coverage
- Penalties to employers who do not provide coverage
- Taxes on “Cadillac Insurance Plans”
- Additional Tax on Health Insurance Companies
- Additional Tax on Drug Manufacturers
How Will The PPACA Be Paid For?

- Sales Tax on Medical Devices
- 10% tax on indoor tanning services
- Cut Medicare Payments
- Cut DISH Payments
- Increased Medicare taxes on those with incomes >$200,000
- Cutting out fraud and abuse
- The list goes on............
Additional Features

- Comparative Effectiveness Research
- Medical Malpractice Research
- Accountable Care Organizations
- Increased Payment for Primary Care
- New payments for prevention, wellness; coverage for preventative services
- Increased residency positions in primary care and general surgery
Challenges

- Implementation details tricky and still in progress
  - State health exchanges
  - IRS collection of penalties
  - State latitude in defining benefits
  - Funding of demonstration projects under a hostile House of Representatives
Legal Challenge to the ACA

- 26 state attorney generals have a pending Supreme Court suit to overturn the ACA on two grounds
  - The individual Mandate (commerce clause)—unconstitutional? Can the Federal Government make you buy health insurance?
  - The Medicaid expansion is coercive
What is Colorado Doing?

- The Colorado Health Care Affordability Act of 2009
  - Signed by Governor Ritter on April 21, 2009
  - Provider fee on hospitals assessed to generate additional federal Medicaid matching funds to expand health care access
    - Expansion of coverage
    - Adult parents with incomes up to 100% of FPL
    - Medicaid eligible children and pregnant women to 250% of FPL
    - Adults without children up to 100% of FPL
Continued

- Creates a Medicaid buy in program for disabled adults and children whose family incomes are too high for Medicaid eligibility but are under 450% of FPL
- Increases hospital outpatient Medicaid rates to up to 100% of MC rates
- Increases hospital reimbursement rates through CICP up to 100% of cost
- Implements quality incentive for hospitals
Colorado Health Benefit Exchange

- [http://www.getcoveredco.org/Index](http://www.getcoveredco.org/Index)
- Opening October 2013
Bibliography

- Focus on Health Reform, Kaiser Family Foundation; March 25, 2010
- Implementing Health Care Reform: A Roadmap for Colorado
- www.kff.org
- www.getcoveredco.org/Index
Achieving Access to Health for All Coloradans: Engaging Colorado Physicians
What can Colorado physicians do?

- As Individual Physicians?
- As Groups of Physicians? (practices, specialty groups, health systems)
- Through Representative Bodies? (professional organizations)
- As Colorado Physicians – with one voice?
Trust

• Voters are most likely to trust nurses and doctors to work to reduce the chance that something goes wrong in their care, with hospital administrators, other members of the general public and regulating agencies also perceived generally positively.

  • Republicans are most likely to trust doctors “completely” or “a lot” at 73% (particularly GOP women with 79%), along with 61% of Independents and 54% of Democrats.
  • Lawyers carry very low scores, with 60% of the public saying they do not trust them on this issue.

  • This includes 53% of Democrats, 63% of Republicans and 66% of Independents who say they do not trust lawyers “much” or “at all” on this issue (with just 6% of Dems, 4% of Reps and 3% of Inds saying they trust lawyers “completely” or “a lot”).

“I am going to read you a list of people and organizations, and ask how much you trust them to work to reduce the chance that patients are hurt or injured when they receive medical care.”
Public Trust In Doctors Is Still High

Q1 Now I will read you a list of different types of people. For each would you tell me if you generally trust them to tell the truth, or not?

Base: 2,074 British adults aged 15+

<table>
<thead>
<tr>
<th></th>
<th>Tell the truth</th>
<th>Not tell the truth</th>
<th>Don't know</th>
</tr>
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<tbody>
<tr>
<td>Doctors</td>
<td>92</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Teachers</td>
<td>88</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Professors</td>
<td>80</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>Judges</td>
<td>75</td>
<td>16</td>
<td>10</td>
</tr>
<tr>
<td>Clergy/priests</td>
<td>75</td>
<td>17</td>
<td>9</td>
</tr>
<tr>
<td>Scientists</td>
<td>72</td>
<td>16</td>
<td>13</td>
</tr>
<tr>
<td>TV news readers</td>
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<td>21</td>
<td>13</td>
</tr>
<tr>
<td>The Police</td>
<td>61</td>
<td>29</td>
<td>10</td>
</tr>
<tr>
<td>The ordinary man / woman in the street</td>
<td>56</td>
<td>29</td>
<td>15</td>
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<tr>
<td>Pollsters</td>
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<td>29</td>
<td>21</td>
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<td>Civil servants</td>
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<td>37</td>
<td>15</td>
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<tr>
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<tr>
<td>Journalists</td>
<td>19</td>
<td>72</td>
<td>9</td>
</tr>
</tbody>
</table>
June 17, 2009
On Healthcare, Americans Trust Physicians Over Politicians

Next, we have a question about healthcare policy in the United States. As I read some names and groups, please say whether you are confident or not confident in each to recommend the right thing for reforming the U.S. healthcare system.

Gallup Poll Daily tracking, June 13-14, 2009
Over 11,000 Practicing Physicians in Colorado

How can we Collaborate?
Web based collaboration tool

- Mass collaboration software
- Remote and 24 hour access
- Easy to use
- Concise vs email streams, etc
- Engaging
- Game-like properties with Leader board
What are your specific ideas to increase health insurance coverage for Coloradans should the Supreme Court overturn all or part of the ACA?

1. Develop a plan similar to the Massachusetts, including individual responsibility to purchase health insurance coverage. Create a "connector" to simplify insurance purchase through a state exchange.
   - Your Rating: 88.1
   - Your Rank: 2nd
   - Contributors: 111
   - Votes: 3480
   - Items: 72
   - Edits: 91

2. Simplify health insurance plan options for all Coloradans to three or four standardized benefit plans so that informed consumers can pick a plan for themselves, eliminating the cost of the middleman insurance broker.

3. Administer a permanent Healthcare Account (like an HSA) for every resident. Fund it through employer or State (need based) contributions commensurate with costs of insurance. Everyone purchases commercial or State plans through the account, with default coverage Medicaid.
Ideas & initiatives that we as physicians can support and implement to improve access to healthcare in Colorado
Increasing Access

- Expanding Health Coverage
- Increasing Outreach & Insurance Enrollment
- Improve Health Systems
- Increase Availability of Care
1. **Stratify ED visits into emergency and urgent care.** The urgent care visits can be staffed by mid levels with a supervising physician and will bill as an urgent care visit, not ED visit. Adjust legal standards accordingly from ER visit to Urgent care.

2. Work with all payers to **develop meaningful value-based benefit design** which allows both choice and patient responsibility. Financial incentives should be established to encourage cooperation from providers and patients.

3. Allow **protection from lawsuits** if medical providers follow current established treatment guidelines for a given condition, thus dramatically lowering cost and increasing quality and access.

4. When unpaid indigent care is provided in physicians' offices, allow standard **charges not reimbursed to be claimed as charitable donations** for tax purposes.

5. Set up financial incentives and rules to **grow the currently successful not-for-profit health systems** that have already proven high quality-lower cost with good access for all.
Support development of strategies for **phone/virtual visits** and encourage insurance coverage and payment for these services, or offer a low cost direct-pay option.

Medicaid should **reimburse for cpt codes for after-hours visits**, as doctors who are willing to provide after-hours care spare overuse of the ED for issues that are not truly emergencies.

Set up protocols for **ER nurses to screen patients** for appropriateness of ER care. Legislate protections for institutions that follow those recognized protocols, and exemption from EMTALA violation. Refer them to PCMH practices and reimburse them.

Find the 10 **most frequent/costly uninsureds** for any hospital, calculate their losses. Set up a hospital fund to pay for clinic visits for them at Medicare rates, and see if it impacts the total cost over 1 year. Expand if successful!

CMS should work with the Colorado Trust (or other funders) and COPIC to create a medical malpractice insurance stipend or **discount for physicians in the state who accept Medicaid** and/or provide discounted care for uninsureds.
What are your specific ideas to increase health insurance coverage for Coloradans should the Supreme Court overturn all or part of the ACA?
A few Selected Components of ACA

- Individual Mandate
- No Lifetime Limits
- No Exclusions based on Pre-Existing Conditions
- Funding of Community Health Centers
- Prevention & Wellness
- Dependent Coverage until 26 yrs old
- Expansion of Medicaid for Pregnant Women & Children
Top Ideas

1. Develop a plan similar to the Massachusetts, including individual responsibility to purchase health insurance coverage. Create a "connector" to simplify insurance purchase through a state exchange.

2. Simplify health insurance plan options for all Coloradans to three or four standardized benefit plans so that informed consumers can pick a plan for themselves, eliminating the cost of the middleman insurance broker.

3. Administer a permanent Healthcare Account (like an HSA) for every resident. Fund it through employer or State (need based) contributions commensurate with costs of insurance. Everyone purchases commercial or State plans through the account, with default coverage Medicaid.

4. Standardize billing processes among insurance companies, eliminating the cost of secondary billing. Require participation of population in the system they utilize.

5. Develop and require standardized insurance applications and plan documents to help employers and consumers to better understand coverage and compare health insurance products.
Top Ideas

6. Create a system of cost transparency for health care facilities, providers and pharmaceuticals so that patients can make informed cost decisions before care is provided.

7. Create special medical malpractice courts so that physicians practicing evidence based medicine are assessed fairly based on the standard of care provided in the event of bad outcomes.

8. For any standard health insurance offered to Coloradans, include financial incentives to encourage healthy choices (i.e. maintaining appropriate HbgA1c levels and BMI levels, incentives for prenatal care, immunizations, tobacco cessation, etc.)

9. Allow tax credits for providers and facilities to provide care to the uninsured and underserved. This would solve the problem of access to care while minimizing the inefficiency of bureaucracy in the ACA.

10. If the ACA is overturned, Colorado legislature should mandate universal insurance coverage for all Coloradans and those living in Colorado. The state should make it illegal for insurers to base rates and coverage on pre-existing conditions.
What Now?

- People trust you
- People trust you to help with healthcare reform
- Understand the issues (or some of them)
- Talk about the problem and potential solutions
- Engage colleagues
- Do something
- If CMS member, sign on the project
- Lets get Colorado physicians working together