



HARVARD

School of Public Health

Programs in Leadership Development

US Health Reform and Puerto Rico: Challenges and Opportunities Ahead

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Presentation Outline

- Bottom Lines for you
- Understanding the Affordable Care Act – key components
- How ACA implementation looks on the Mainland
- How has Puerto Rico been helped since the ACA's passage in 2010
- Puerto Rico health care pre-ACA
- Key health status indicators
- Challenges and Opportunities ahead



Bottom Lines for You

- Affordable Care Act is an historic opportunity to address unmet health care needs of Puerto Ricans and to improve your health care system
- Not just insurance coverage – improving the quality and effectiveness of medical care, expanding your workforce, addressing prevention, and much more
- Puerto Rico has major consequential decisions ahead of you – big deadline is October, 2013
- In the mainland, business has a seat at the table and plays an important role
- For you to do so will require your time and effort



Understanding the Affordable Care Act



March 23, 2010



Understanding the ACA – Key Elements: I

- The ACA has ten Titles – First five are most important
- Title I: Expanding Private Insurance Coverage
 - Insurance Market Reforms – Guaranteed Issue (*yes in PR*)
 - Individual and Employer Mandates (*not in PR*)
 - Premium & cost sharing subsidies (*maybe in PR*)
 - Health Insurance Exchange/Marketplace (*maybe in PR*)
- Title II: Expanding and Improving Medicaid
 - Medicaid for all low-income Americans
 - 90-100% federal financing (*55% in PR – but no cap for newly eligibles*)
 - 90% federal financing for system improvements (no cap)
- *Puerto Rico much choose between Title I or Title II*

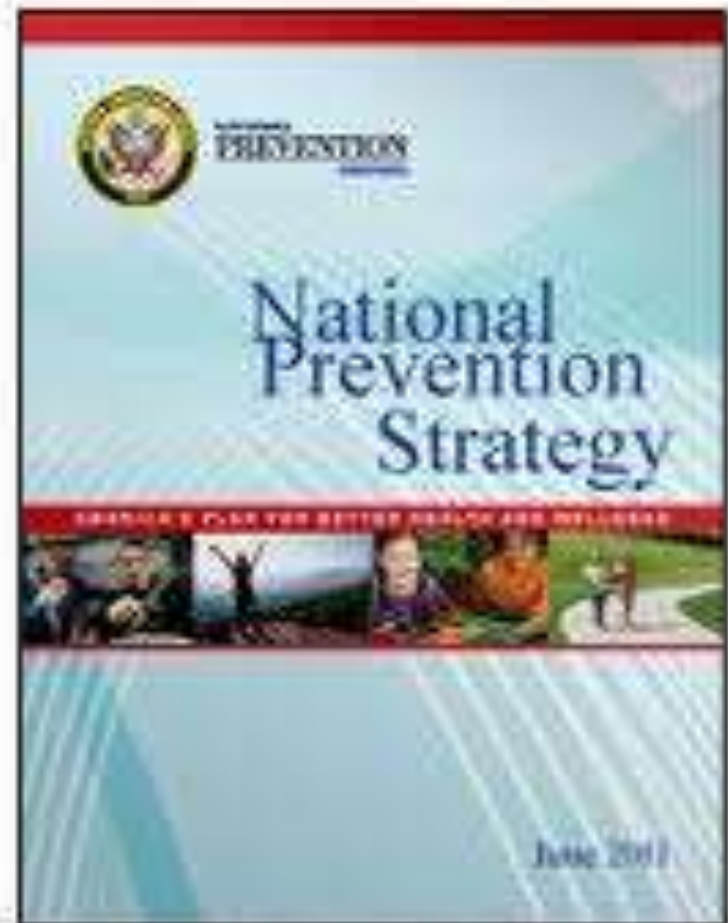


Understanding the ACA – Key Elements: II

- Title III: Improving the Quality and Efficiency of Care
 - National Quality Strategy, Accountable Care Organizations, Medical Homes, Bundled Payment, Value Based Insurance, Penalties for Hospitals with High Readmissions/Infections; closing Medicare prescription drug “donut hole”
- Title IV: Public Health, Prevention, and Wellness
 - National Prevention Council and Strategy, Community Transformation Grants, Calorie Labeling on chain restaurant menus; Coverage of preventive services
- Title V: Improving the Health Care Workforce
 - National Workforce Commission; Primary care workforce; Community Health Centers and National Health Service Corps funding



National Quality and Prevention Strategies



ACA Implementation on the Mainland

- ACA has now survived three “near-death” experiences
 - 2010 election of Scott Brown in Massachusetts; 2012 U.S. Supreme Court decision; 2012 U.S. federal elections
- ACA remains an intensely partisan and divisive issue
- Major elements of reform well underway since 2010
 - Insurance market reforms, delivery system reforms, prevention and public health improvements
- No foreseeable roadblocks to major reforms on 1/1/14 – Medicaid and private insurance reforms
- Many ways for Congressional opponents to impede, though implementation of essential parts seems clear



How Has ACA Helped Puerto Rico?

- Huge increases in Medicaid through 2019 – from \$3.1B to \$9.4B; from \$300M to \$1B annually
- In addition, \$925M (\$154M per year '14 – '19) to create your own Insurance Exchange or improve Medicaid
- These are the largest funding increases ever for Puerto Rico
- Also, 45,000 Medicare enrollees saved \$138.9M on drugs
- Free preventive services helped 58,993 Medicare enrollees
- \$3.2M in grants from Prevention & Public Health Fund
- Community Health Centers grants of \$72.8M
- National Health Service Corps – 1 in '08; 17 in '12
- \$1.1M for school based health centers;
- \$2.5M for Maternal, Infant, Early Childhood Home Visiting



Puerto Rico's Health System Needs Help

- Current uninsured estimate at 8%, 295,357 persons
- Current underinsured estimate at 15%, 515,538
- Big need for quality improvement – higher mortality and readmissions for hospital care than in the states
- Long wait times for services; no consistent focus on prevention; pressures on primary care
- Health workforce/physician drain and demoralization – severe shortages; insufficient medical education
- Serious shortages of long-term care services & supports; little home care infrastructure



Some Key Health Status Indicators in Puerto Rico Are Good ... Others Not

- GOOD:
- Puerto Rican life expectancy is better than in US: 78.5 versus 78.1; 29th versus 33rd in WHO ranking
 - This, despite much lower per capita health spending: \$3324 vs. \$8,223
- Major drop in heart disease as leading cause of death between 2000 and 2010
- 1st in prostate cancer screening/low tobacco use
- NOT SO GOOD:
- 50% of population has some form of chronic disease: especially diabetes, asthma, cancer, HIV
- Worst in flu shots and colon cancer screening



Looking Ahead

- Educate yourselves and be part of the action
 - In many ways, you are shortchanged:
 - In Medicare, Puerto Rico is only jurisdiction that does not receive 100% of national payment rates (75/25%)
 - Financial loss in 2008 was \$24.2M or 7.1%
 - Only jurisdiction without automatic enrollment in Medicare Part B (Pedro Pierluisi – Resident Commissioner)
 - Puerto Rican hospitals excluded from HITECH hospital bonus payments
 - As part of the ACA, may want to consider your own individual and/or employer responsibility provisions
 - Malpractice and Quality Improvement/Triple Aim
 - Many opportunities for improvement
- Most important, Puerto Rico needs to decide soon whether to pursue Medicaid expansion or your own Insurance Exchange as the catalyst for change.



The Agenda Beyond Access*

- Governance Reform
- Workforce Development
- Health Information Technology
- Long Term Care Services and Support
- System Integration and Structural Reform
- Focus on Prevention and Population Wellness

- Planning for Health Care Improvement for the People of Puerto Rico – 2008

