

ACOG Health Reform Webinars

What the Law Means to Your Practice and Your Patients

Presented by

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Session 3 September 8, 2010

Sessions

Health Care for Women
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- **Session 4: October 20 Wednesday Noon ET**
- Compliance
- **Session 5: November 10 Wednesday Noon ET**
- Opportunities
- **Session 6: December 8 Wednesday Noon ET**
- Non-Physician Providers
- www.acog.org Health Reform Center

Practice Administration



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2010:

- Tax Credits for Employer Health Insurance Contribution

2013:

- Uniform Standards for Electronic Transactions

2014:

- EHR
- Employer Mandate

Big Picture

Practice Administration 2010

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➤ Tax credits for employer health insurance contribution.

- Small businesses with <25 FTE employees and average wages of <\$50K.
 - Tax credit = up to 35% of the employers' premium contribution, 25% in the case of tax-exempt eligible small employers.
 - Available for premiums paid toward health coverage for employees in tax years 2010 through 2013.
 - In 2014 and 2015, an employer can claim a 50% tax credit if the employer participates in an insurance Exchange and if the employer pays 50% of the premium cost.
- No tax advice here.
 - Small employer tax credit questions? Ask your accountant.

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2013

- **Uniform Standards for Electronic Transmissions**
 - Elig verification and health claim status.
 - All health plans must comply.

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2014

➤ EHR

- Uniform standards allowing automatic reconciliation of electronic fund transfers (EFTs) and HIPAA payment and remittance. Improving the claims payment process.
- Standardized and consistent methods of health plan enrollment and claim edits.
- Unique health plan identifiers, simplify and improve routing of health care transactions.
- Standard electronic claims attachments.

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- **EHR:** Physicians can find out electronically
 - whether a particular test is covered,
 - how much the insurance company is paying, and
 - how much patients have to pay.

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2014

- **Employer Mandate**, in effect when Exchanges begin.
- Applies only to employers with 50+ full time employees, not including seasonal workers.
- Average # employees, including MDs = 34.4
- 75% of ob-gyn practices have 42 FTEs or fewer.

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2014 Employer Mandate

Large employers have to offer coverage or pay a penalty, called an assessment payment.

Large employers who don't offer their FT employees the opportunity to enroll in an employer-sponsored minimum essential coverage plan in any month, and who have an employee in that month who gets coverage with a tax credit or premium reduction through an Exchange.

The assessment is \$2,000 per month per employee on the # of FT employees minus 30.

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2014 Employer Mandate

Payment Assessment Example

In 2014, XYZ Ob-Gyn Practice doesn't to offer minimum essential coverage and has 90 FT employees. 10 receive a premium tax credit for the year for enrolling in a state Exchange plan.

XYZ Ob-Gyn Practice owes a monthly \$2,000 assessment on each of 60 employees (90 – 30), \$120,000 a month.

Avoid the assessment by offering coverage each month.

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White House Big Picture, August 23 Annals of Internal Medicine Successful Practices Will:

- Focus care around exceptional patient experience and shared clinical outcome goals.
- Expand the use of electronic health records with capacity for drug reconciliation, guidelines, alerts, and other decision supports.
- Redesign care to include a team of nonphysician providers, such as nurse practitioners, physician assistants, care coordinators, and dietitians.
- Establish, with physician colleagues, patient care teams to take part in bundled payments and incentive programs, such as accountable care organizations and patient-centered medical homes.
- Proactively manage preventive care—reaching out to patients to assure they get recommended tests and follow-up interventions.
- Collaborate with hospitals to dramatically reduce readmissions and hospital-acquired infections.
- Engage in shared decision-making discussions regarding treatment goals and approaches.
- Redesign medical office processes to capture savings from administrative simplification.
- Develop approaches to engage and monitor patients outside of the office (e.g., electronically, home visits, other team members).
- Incorporate patient-centered outcomes research to tailor care appropriate for specific patient populations.

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White House Big Picture

- The health care system will evolve into 1 of 2 forms: organized around hospitals or organized around physician groups.
- As physicians organize themselves into increasing larger groups—patient-centered medical home practices and accountable care organizations—they will invest in IT and acquire management skills needed to efficiently organize.
- Accelerated physician employment by hospitals.
- Increased vertical Integration.
- Today, 24% of ob-gyn practices are solo, 27% single specialty groups.

Summary of Affordable Care Act Objectives, Major Provisions, and Physician Implications.

Table. Summary of Affordable Care Act Objectives, Major Provisions, and Physician Implications

Objectives	Major Provisions	Physician Implications
Guaranteeing access to health care for all Americans	<ul style="list-style-type: none"> Subsidized coverage and Medicaid expansion Eliminates Medicare drug “donut hole” Removes annual and lifetime limits on coverage Outlaws rescissions Eliminates preexisting condition exclusions for children Temporary high-risk insurance pool 	<p>To meet expanded demand for health care:</p> <ul style="list-style-type: none"> Redesign care to include a team of nonphysician providers, such as nurse practitioners, physician assistants, care coordinators, and dietitians Develop approaches to engage and monitor patients outside of the office
Improving information and creating incentives to change clinical practice	<ul style="list-style-type: none"> Offers free preventive care Creates Patient Centered Outcomes Research Institute Incentives to create patient-centered medical homes and accountable care organizations Pilots of bundled and alternative payment models Funding to adopt electronic health records Incentives to reduce readmissions and hospital-acquired infections Expands access to physician, hospital, drug, and device quality and safety data 	<p>To meet the quality, productivity, information transparency, and payment reform requirements:</p> <ul style="list-style-type: none"> Focus care around exceptional patient experience and shared clinical outcome goals Engage in shared decision-making discussions regarding treatment goals and approaches Proactively manage preventive care Establish teams to take part in bundled payments and incentive programs Expand use of electronic health records Collaborate with hospitals to dramatically reduce readmissions and hospital-acquired infections Incorporate patient-centered outcomes research to tailor care
Removing barriers	<ul style="list-style-type: none"> Removes unnecessary administrative and billing complexity Expands National Health Service Corps and increases amount of loan repayment Expands primary care residency slots Increases funding for medical and allied health professional training Increases pay for primary care by 10% 	<p>To capture value:</p> <ul style="list-style-type: none"> Redesign medical office processes to capture savings from administrative simplification

Kocher R et al. Ann Intern Med doi:10.1059/0003-4819-153-8-201010190-00274

Annals of Internal Medicine

Questions

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- Type your questions
- Go to ACOG's Health Reform Center on ACOG's home page
- Session 4 Wednesday October 20, NOON ET
– Compliance
- Thank you!