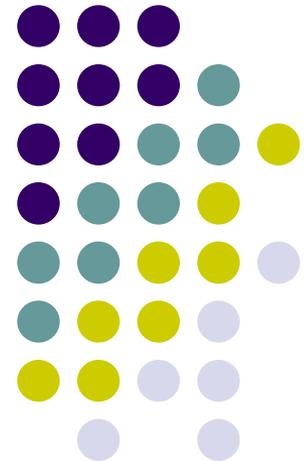


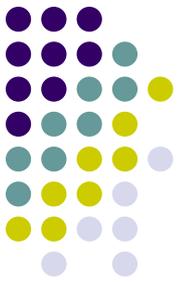
# Moving Forward with Health Care Reform in NYS to Promote Health Equity “The Health Care Exchange”

Presented by Lea Webb  
Webb Consulting  
March 15, 2013

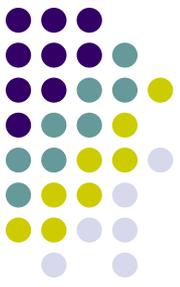
Center for the Elimination of Minority Health  
Disparities  
SUNY Albany



# Health Equity: Elimination of Racial and Ethnic Disparities



New York State is one of the most racially and ethnically diverse states in the nation. Despite significant overall health spending and extensive public health coverage, New York has not been able to achieve a high-performing health care system and disparities in health persist.



# Health Disparities in NY

- During 2006-2008, Black non-Hispanics had the highest age-adjusted total mortality rate (795.7 per 100,000) compared to all other race/ethnic groups
- Among children aged 2-4 years participating in the WIC program, Hispanics had the highest rate of obesity
- Hispanic adults had the highest prevalence of asthma among all racial/ethnic groups
- Asian/pacific Islanders are three times more likely to develop liver cancer compared to other racial/ethnic groups
- The rates of diabetes among Native Americans are more than two times the rate for whites

*Source: Yvonne Graham, Associate  
Commissioner, NYS Department of Health & Director, Office of Minority  
Health and Health Disparities (September 2012)*

# Estimating the Cost of Racial and Ethnic Health Disparities

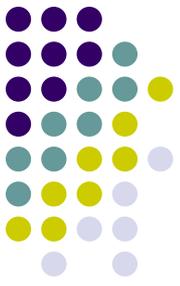


- Estimated cost burdens of racial and ethnic disparities in a set of preventable diseases including diabetes, hypertension, and stroke
- Excess rates of these diseases cost the health care system \$23.9 billion dollars in 2009
- Medicare alone will spend an extra \$15.6 billion, and private insurers will spend an extra \$5.1 billion
- Over the next decade, the total cost is approximately \$337 billion
- Left unchecked, these annual costs will more than double by 2050 as the representation of Latinos and African Americans among the elderly increases

*Source: T Waidman, Urban Institute 2009.*

*<http://www.urban.org/url.cfm?ID=411962>*

# ACA and Health Equity

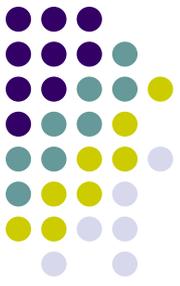


- The Affordable Care Act was passed in March 2010

The ACA has provisions specifically designed to enable, if not require states to aggressively improve the health of racial and ethnic minorities and other underserved populations. Some of those provisions are:

- Uniform data collection
- Workforce cultural competency
- Language access services for consumers
- Diversity of health care providers & in underserved areas
- Preventative health services & coordination of care

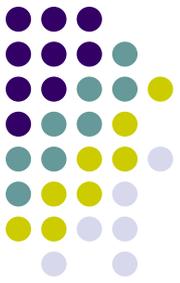




# So Where Are We with Health Care Reform Implementation in New York State?

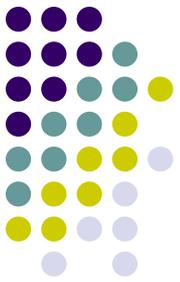


# The Exchange



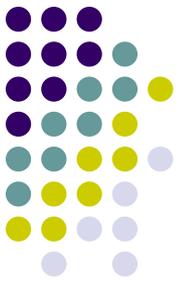
- In 2012, Governor Cuomo passed Executive Order 42, which establishes the New York Benefit Exchange within the Department of Health
- Directs the DOH, in conjunction with the Department of Financial Services and other state agencies, to take all steps necessary to effectuate the Exchange
- Requires the Exchange to:
  - Facilitate enrollment in health coverage and the purchase and sale of qualified health plans
  - Enable eligible individuals and small businesses to receive federal tax credits
  - Convene regional advisory committees to provide advice and make recommendations
  - Become financially self-sustaining by January 1, 2015 as required by the ACA

*Source: NYS Health Benefit Exchange Department*



# What is An Exchange?

- A provision of the Affordable Care Act, that establishes state-level health insurance marketplaces, or “exchanges”, to sell plans to individuals and small businesses.
- The federal government will set the minimum standards for plans that may be sold through exchanges. States have great latitude in selecting which plans can participate.



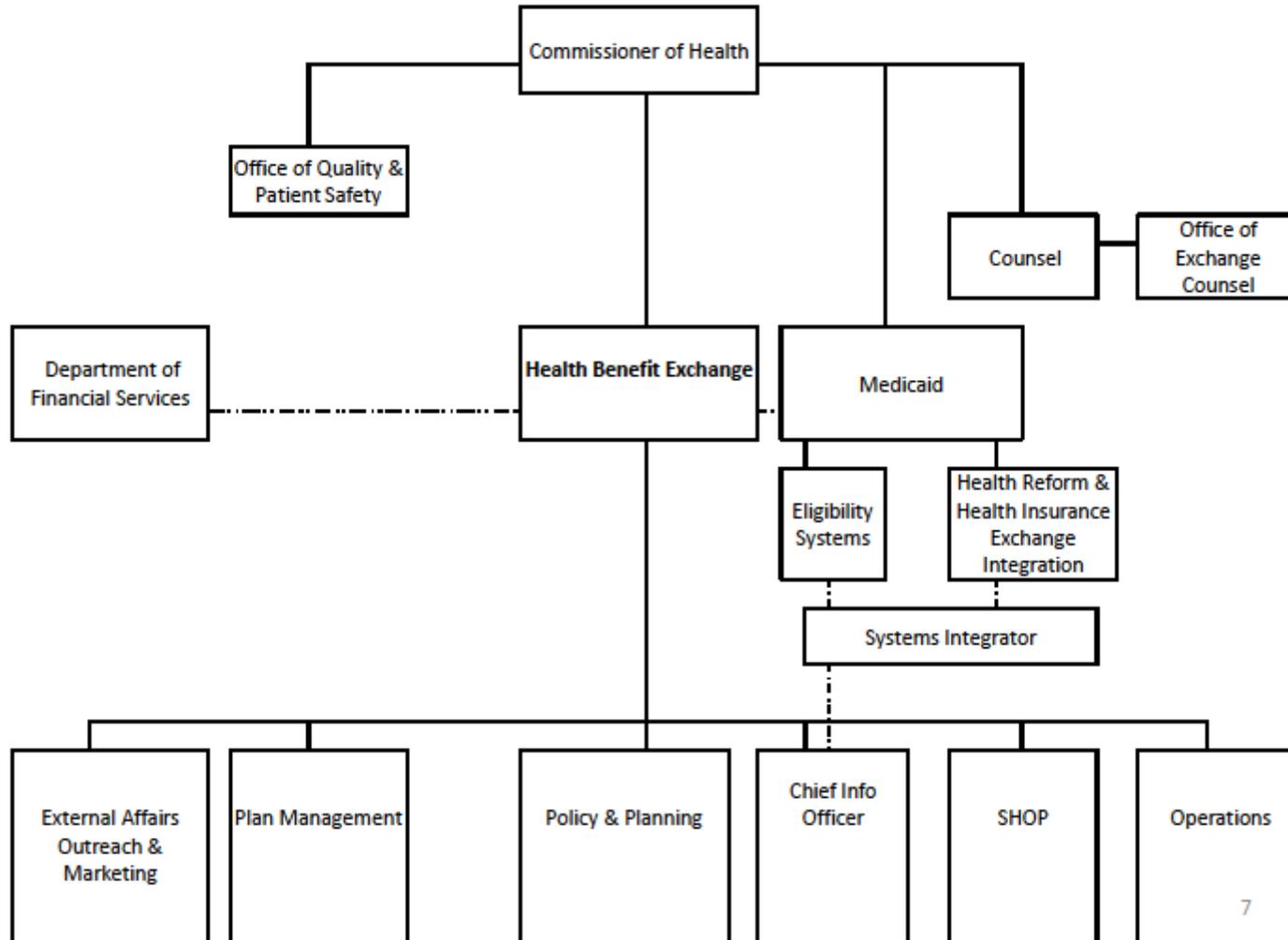
# What is an Exchange Cont'd

- Organized marketplace
  - Easily compare health plan options
  - Makes available tax credits and cost-sharing subsidies
  - Easily enroll in qualified health plans
- Two programs
  - “Individual Exchange“
  - “Employer Exchange,” which is called the Small Business Health Options Program, or SHOP

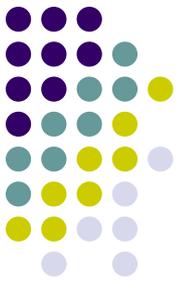
*Source: NYS Health Benefit Exchange Department*



## Health Benefit Exchange Organizational Chart



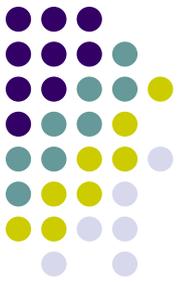
# Regional Advisory Committees (RAC)



- 175 individuals participating in regional committees to provide advice in the planning and implementation of the Exchange
- Includes consumers, small businesses, health care providers, insurers, brokers, labor and others
- Five regions
  - NYC Metro
  - Long Island
  - Capital/Mid-Hudson/North
  - Central
  - Western

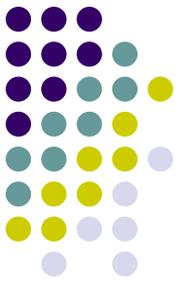
Go to <http://www.healthcarereform.ny.gov> for more info on the RAC

# Functions of the Exchange



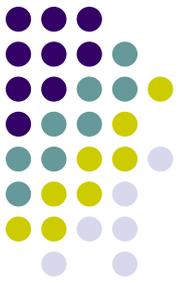
- Make available qualified health plans and qualified dental plans to qualified individuals and employers
- Assign a quality rating and actuarial value to each qualified health plan offered through the exchange
- Implement certification procedures for qualified health plans
- Require qualified health plans to offer essential health benefits, as determined by federal act
- Provide a toll-free telephone hotline
- Maintain an internet website for questions, enrollment
- Establish electronic means to calculate the actual cost of coverage after tax credits and cost sharing reductions
- Determine eligibility and enroll individuals into a range of coverage options
- Establish Navigator program to assist consumers in shopping and enrollment
- Certify individuals as exempt from individual responsibility

# How Can the Exchange Address Health Equity?



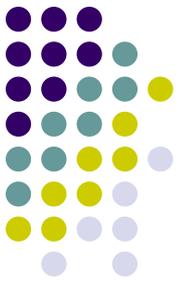
- Data Collection
- Consumer Assistance
- Insurance company participation standards
- Cultural Competency for health professionals
- Language Access
- Combat Discrimination

# Data Collection



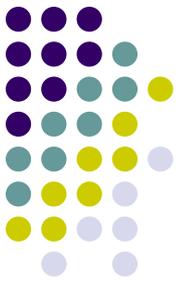
- Reliable data is the key to identifying disparities and designing targeted quality improvement interventions. NY does not currently require all health care providers to collect and report quality of care data stratified by race, ethnicity, and other background information.
- While some providers do collect this data, it is not standardized throughout the state. This can make it difficult to compare across entities. In addition, data collected is generally not publicly reported.
- New York should require uniform collection and public reporting of data stratified by race, ethnicity, disability status, gender, sexual orientation, and language spoken throughout the state by all public and private health plans, hospitals, and other health care institutions.

# Consumer Assistance

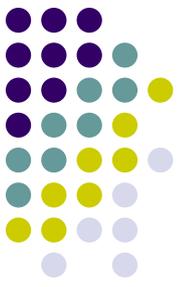


- The Exchange has a goal to enroll over a million consumers
- The State should utilize “trusted messengers” in its outreach efforts in order to reach marginalized communities i.e community based organizations, door –to-door, ads
- Easy transfer between programs (public and private) “No Wrong Door”
- The ACA sets up consumer assistance programs to assist consumers with:
  - Health plan complaints and appeals and other consumer problems
  - Enrollment with health insurance
  - Problems with premium tax credits
- The ACA also sets up navigation programs to:
  - Help with enrollment
  - Refer grievances to consumer assistance programs

# Insurance Company Participation Standards



- Several Models (Clearing House, Selective Contractor, Active Purchaser)-best choice is Active Purchaser:
- State could select from among bidders only those plans that are the best value for consumers (comprehensive benefits)
  - Creates competition for a place in the exchange. Plans could compete based on, for example:
    - ❖ Lower prices
    - ❖ More attractive provider networks
    - ❖ Quality innovations
- State could set and negotiate rates
- State could exclude plans that didn't meet strict quality standards i.e. providing sufficient numbers of providers who speak languages other than English

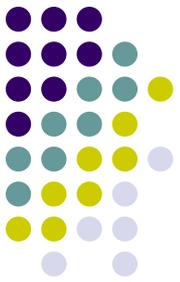


# Cultural Competency

A lack of culturally and linguistically appropriate services leads to poor quality of care and health disparities

- NYS should ensure that the Exchange's staff, navigators, consumer assistance programs, health plans, and participating providers are able to accommodate the needs of the diverse cultures in our communities
- Requires cultural competency training for medical professionals
- Includes a minimum definition of cultural competency
- Includes specific accreditation requirements for cultural competency courses
- Clearly defines acceptable reasons for waivers
- Includes penalties for reinstating physician licenses for non-compliance
- Incorporates cultural competency into the medical school curriculum

# Language Access



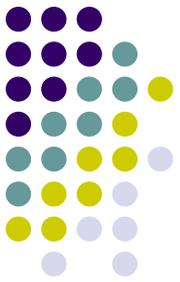
NYS has a very diverse set of languages that residents speak

- Could require that all state agencies and insurance companies provide language assistance services to limited English proficient individuals, including necessary interpreter services and the translation of frequently used forms and documents
- The State should mandate that consumer assistance programs and navigators have similar policies

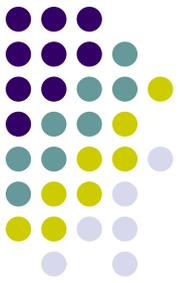
For Example:

In 2009, the NY Attorney General (AG) announced a landmark settlement with NY's largest pharmacy chains, like Duane Reade, CVS, and Rite Aid, requiring them to provide free translation of medicine labels. In 2012 the Governor issued an Executive Order to support this effort.

# Combat Discrimination



- ACA prohibits discrimination on the basis of sex (including sex stereotyping or gender identity), race, national origin, disability, and age
- These provisions apply to any ACA program that receives federal financial assistance such as grants or tax credits applied to insurance policies
- An equity frame should be utilized in consumer outreach, enrollment, selection of covered benefits, and network standards

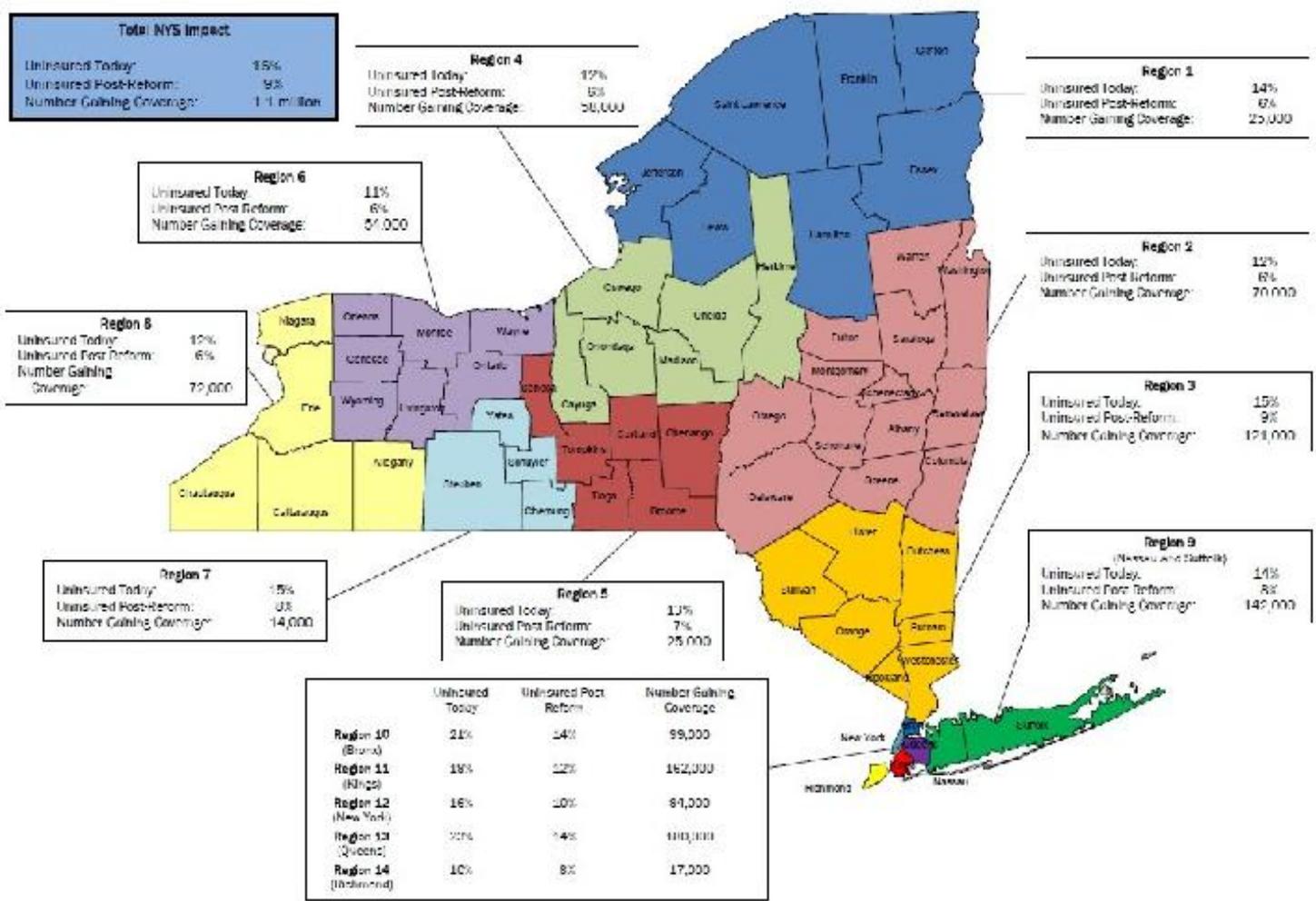


# What Does this Look Like in Our Community?



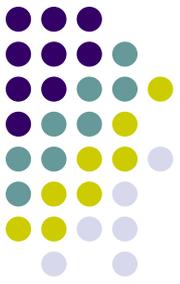


## Impact of Federal Health Reform on New York's Uninsured



Source: 2009 American Community Survey data and the Urban Institute's Health Insurance Policy Simulation Model. Data include non-elderly persons.

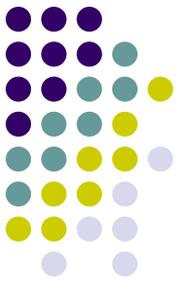
# Cost and Coverage Impact of Health Care Reform in NYS



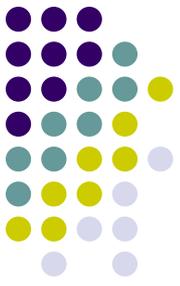
According to the Urban Institute:

- One million people will gain insurance, reducing the percentage of uninsured from 16 percent to 10 percent
- Exchange enrollment is estimated to be 1.1 million people
- Premiums are expected to decline in the small group and non-group markets
- Individuals and small businesses who purchase through the Exchange will receive \$2.6 billion per year in federal tax credits and cost sharing subsidies
- New York will save \$2.3 billion per year when reform is fully implemented as a result of enhanced federal Medicaid support

# New York Health Benefit Exchange Implementation Timeline

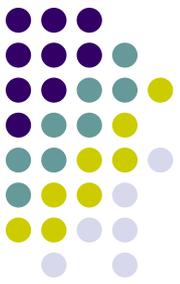


- Declaration Letter sent to HHS on July 9, 2012  
[http://www.healthcarereform.ny.gov/health\\_insurance\\_exchange/docs/nys\\_declaration\\_letter.pdf](http://www.healthcarereform.ny.gov/health_insurance_exchange/docs/nys_declaration_letter.pdf)
- HHS Design Review Oct 9-10, 2012
- HHS Exchange Blueprint submitted Nov 16, 2012
- Exchange begins accepting applications on Oct 1, 2013
- Individual and SHOP Exchange coverage effective Jan 1, 2014



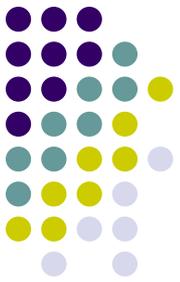
# What Can You Do?





# Important Action Items

- Organization sign on letter to support affordable health care expansion in the 2013 NYS Budget
- Make phone calls to important state leaders on health care reform in the NYS 2013 budget
- For a copy of the organizational sign on letter and phone numbers for state leaders go to <http://www.hfcfany.org>



**Contact Information:**

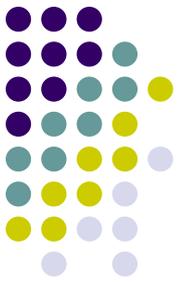
**Lea Webb**

**Webb Consulting**

**<http://leawebb.com>**

**webbconsulting1@gmail.com**

**Facebook/Twitter @leawebb1014**



# Thank You!!

