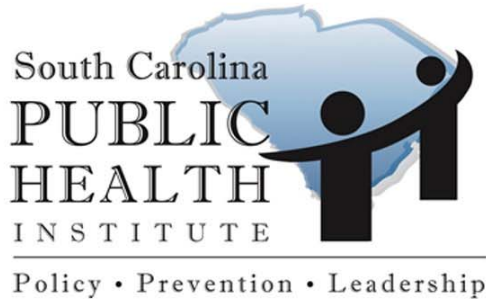




Fact and Fiction

Finding the Truth in the Affordable Care Act and its Impact



Helping a Generation at Risk: From Sickness to Wellness through Health Reform

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We are raising an unhealthy generation

- Nationally:
 - 1/3 of kids 10-17 are obese or overweight
 - Only 1/3 of kids 6-17 engage in vigorous physical activity
- South Carolina
 - 9th in adult obesity (29.9%)
 - 65.7% of adults are overweight or obese
 - 10% of adults have diabetes (8th in nation)
 - 31.5% of adults have hypertension (9th in nation)

South Carolina's Children

- High school students
 - 16.7% are obese
 - Another 15% are overweight
 - Only 17.1% engage in sufficient physical activity
 - Source for obesity data: F as in Fat 2010

A Potential Decline in Life Expectancy in the United States in the 21st Century

Unless effective population-level interventions to reduce obesity are developed, the steady rise in life expectancy observed in the modern era may soon come to an end and the youth of today may, on average, live less healthy and possibly even shorter lives than their parents. The health and life expectancy of minority populations may be hit hardest by obesity, because within these subgroups, access to health care is limited and childhood and adult obesity has increased the fastest.

Olshansky, et al., NEJM, March 17, 2005

Overview

- Future generations at risk if we don't change the current trajectory of chronic disease
- Can't reverse this trend without consistent access to care, which requires coverage
- Investments outside the health care system will be critical to moving from a sick care system to a wellness approach
 - My focus will be on what happens outside the clinical care system

Needed: Regular access to care

- Treatment can reverse or halt the advance of chronic conditions
- Prevention in a clinical setting makes a difference
- Regular access to care – means insurance coverage of some kind

Accessing health care is important to good health

- Insurance coverage is critical to good health
 - National uninsured rose to 50.7 million people in 2009 (from 15.4% to 16.7%)
 - South Carolina uninsured rose to 766,000 people in 2009 (from 16.1% to 17%)
- Polls show many uninsured and underinsured Americans defer care or wait until emergency to seek care
- Health care costs a leading cause of bankruptcies

Affordable Care Act provides coverage to most of the uninsured and helps those who already had coverage with new provisions

- No pre-existing condition exclusions
 - Adults in 2014
 - Children September 23, 2010
 - Pre-existing Condition Insurance Program prior to 2014
- No lifetime caps; limits on annual caps
- No rescissions
- Premiums based only on age and geography
- Preventive services such as immunizations and screenings

Will insurance be affordable?

- Poverty shouldn't be a barrier
 - Medicaid expansion to 133% of poverty level
 - Subsidies up to 400% of poverty (premiums and costs)
- Providing insurance should be more affordable for small businesses
 - Lower premiums and \$40 billion in new tax credits

A system that reflects state values

- ACA creates a system that gives states great flexibility in how it implements these core principles and the funding to do so
- Exchanges are a purchasing pool of insurance plans, through which the following will buy coverage:
 - Individuals who are not insured through an employer
 - Employers who have 100 or fewer employees
- Individuals between 133% -400% of FPL will receive premium tax credit subsidies in order to buy into the Exchanges. Cost-sharing subsidies will also be available.
- States are responsible for the set-up of Exchanges, but if they fail to do so, the federal government will take over.
- States have option to include large group market (101+ employees) starting in 2017
 - No public option, only potential co-op or multi-state plan

If we have more insured will care be rationed?

- Access to care – move resources from Emergency Departments to the primary care system
- Community health center expansion
- Investment in creating more primary care providers –
 - MDs, nurse practitioners, physician assistants

BUT....

- Coverage is important, but what surrounds (or precedes) coverage is also important
 - Achieving good health outcomes requires healthy communities, not just healthy individuals
- Drivers of health care costs (chronic disease) can often be effectively *prevented* in the community as opposed to *managed* in the health care setting
 - Reducing costs as a critical policy outcome
- Disparities in chronic diseases related to disparities in the “health” of communities
 - Poverty, race/ethnicity and obesity
 - Poor communities provide less support for healthy lifestyles (food, physical activity)

The drivers of health care costs:

Short Run

Medium Run

Long Run

Physical activity, obesity, nutrition, smoking cessation

diabetes

diabetes
&
HBP

HBP

heart disease
stroke
renal disease

heart disease
stroke
renal disease

cancer

arthritis

COPD

What makes a difference?

- Eat healthier – be more active – don't use tobacco
 - Access to healthier foods
 - Supermarkets, what's offered at corner markets
 - School meals
 - Being active
 - Physical activity in schools
 - Creating more opportunities in our neighborhoods
 - Clean air
 - Smoke-free workplaces
 - Tobacco taxes

Making healthy choices the easy choices

- Not a substitute for personal responsibility
 - But we have an obligation to our kids to make sure that they can choose what is healthy
- Affordable Care Act
 - Prevention and Public Health Fund invests in:
 - Community Transformation Grants
 - Local choices about how to address local health problems
 - Chronic disease prevention programs
 - Tobacco cessation programs
 - Community health workers

Purpose of the Fund: Non-clinical prevention

- “The prevention and public health fund in this bill will provide an **expanded and sustained national investment** in programs that promote physical activity, improve nutrition, and reduce tobacco use. We all appreciate that checkups and immunizations and other clinical services are important. But this bill also recognizes that **where Americans live and work and go to school also has a profound impact on our health.**” (Senator Harkin, December 21, 2009, Congressional Record, pp. S13661-62.)

Health in all policies

- National Prevention, Health Promotion and Public Health Council
 - Chaired by Surgeon General
 - HHS, USDA, ED, FTC, DOT, DOL, DHS, EPA, ONDCP, DPC, Asst. Secretary for Indian Affairs
 - Others: VA, DOD
- National Prevention and Health Promotion Strategy
 - Due March 23, 2011

Small changes make a big difference...

- On an individual basis
 - 5-10% weight loss can prevent or reverse many of the chronic conditions associated with obesity
 - Increase in physical activity, even without weight loss, can prevent many chronic conditions
- On health care costs
 - Evidence suggests with interventions such as those supported in the Affordable Care Act can result in 5% reduction in diabetes and/or hypertension and we can see dramatic cost savings

Prevention for a Healthier America

ISSUE REPORT

Prevention for a Healthier America:

INVESTMENTS IN DISEASE PREVENTION
YIELD SIGNIFICANT SAVINGS,
STRONGER COMMUNITIES



JULY 2006
PREVENTING EPIDEMICS.
PROTECTING PEOPLE.



Trust for America's Health
WWW.HEALTHYAMERICANS.ORG



Net Savings from Prevention Investment: 5% Impact at \$10 Per Capita Cost

(in Millions) (in 2004 dollars)

	Short	Medium	Long
U.S. (Mid-term ROI: 5.60:1)			
Care Cost Savings	\$5,784	\$19,479	\$21,387
Intervention Costs	\$2,936	\$ 2,936	\$ 2,936
Net Savings	\$2,848	\$16,543	\$18,451

Short Run: 1 to 2 Yrs. • Medium Run: 5 Yrs. • Long Run: 10 to 20 Yrs.

South Carolina net savings in 5 years

- ❑ Overall: \$233,300,000 (\$5.56 for every \$1 invested)
- ❑ Medicaid (state share): \$15,600,000
- ❑ Private payer and out of pocket: \$147,600,000

From sick care to wellness...

- Can we reverse the trends and assure that kids today live as long and as healthy a life as we do...or even better?
- Investments in the Affordable Care Act give us those tools to make healthy choices the easy choices
 - Will we shape them to help us shape up as a nation?

Questions?

Thank you!

South Carolina
PUBLIC
HEALTH
INSTITUTE



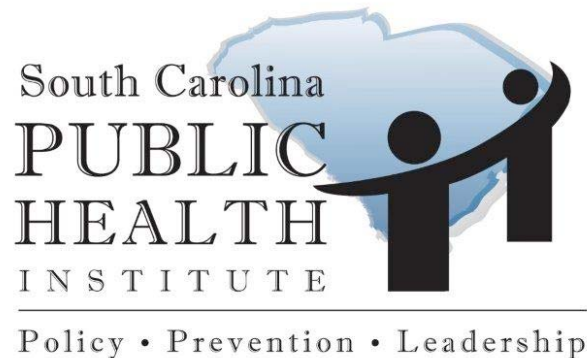
Policy • Prevention • Leadership

Health Care Legislation Implementation in South Carolina - Workgroups

- Enrollment & Consumer Navigation
- Health Insurance Exchange
- Health Professional Workforce
- Information Dissemination & Communication
- Long-Term Care
- Medicaid
- Prevention & Disparities
- Quality, Outcomes, & Health Information Technology
- Safety Net

Workgroup Goals

- Promote collaborative action
- Capture available resources for our state
- Ultimately, improve health outcomes for the citizens of South Carolina



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