Health Care Reform: What’s at Stake for Women?

California Family Health Council & the Bay Area Women + Health Care Reform

August 8, 2013

The Commonwealth Club of California: San Francisco

Wendell Primus, PhD, Senior Policy Advisor, Democratic Leader Nancy Pelosi
Outline of Talk

• Introduction

• ACA

• Economic Problems

• Women’s Economic Agenda
## Comparison of Obama Plan With Other Republican Universal Health Plans

<table>
<thead>
<tr>
<th>Feature</th>
<th>Nixon</th>
<th>Dole-Chaffee</th>
<th>Romney</th>
<th>Obama</th>
</tr>
</thead>
<tbody>
<tr>
<td>Near Universal Coverage</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Based on Private Insurance</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Employer Mandate or Payment</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Small Employer Subsidies</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Individual Mandate</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Low-Income Subsidies</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Expansion of Medicaid</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>State-Based Purchasing Exchanges</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Max Out-of-Pocket Limits</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No*</td>
</tr>
<tr>
<td>Minimum Benefit Package</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Ban on Pre-Existing Conditions</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Adds to Deficit or Partially Unfunded</td>
<td>Yes</td>
<td>Not Scored</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

* Nixon replaced Medicaid with the Assisted Health Insurance plan which was more comprehensive
** The Obama plan does not have lifetime limits, but it does ban insurance companies from instituting lifetime benefit caps.
• Health Care Reform will provide access to ~25 million Americans.

• Total health spending increasing at slowest rate in 50 years. Question is whether this can be sustained?
The eight additional women’s preventive services that are covered without cost-sharing requirements include:

1) Well-women visits
2) Gestational diabetes screening
3) HPV DNA testing
4) STI counseling
5) HIV screening and counseling
6) Contraception and contraceptive counseling
7) Breastfeeding support, supplies, and counseling
8) Interpersonal and domestic violence screening and counseling
How the Health Care Law Benefits Women:

• Bans insurance companies from dropping women when they get sick or become pregnant.
• Improves the care of millions of older women with chronic conditions, by providing incentives under Medicare for more coordinated care.
• For 47 million women with private health insurance, ensures guaranteed free coverage of a range of preventive health services.
• Provides that this free coverage, beginning last summer, now includes more comprehensive services.
• Ensures being a woman will no longer be treated as a “pre-existing condition.”
• Ends the common practice of “gender rating,” charging women higher premiums than men for the same coverage, beginning in 2014.
• Provides greater access to affordable health coverage for women through the establishment of Health Insurance Marketplaces for those not covered through an employer.
How the Health Care Law Benefits Young Adults and Children:

• **Young Adults**
  – Allows young adults to stay on their parents’ health plans up to their 26th birthday.
  – Bans insurance companies from dropping young adults when they get sick or have an accident.
  – For young adults in new private plans, provides free coverage of key preventive services.
  – Provides access to quality coverage to the millions of young adults without access to affordable job-based plans through the Health Insurance Marketplaces, beginning in 2014. Currently, young adults are the most uninsured group of all Americans.

• **Children**
  – Prohibits insurers from denying coverage to children under age 19 for having a “pre-existing condition.”
  – For children in new private plans, provides free coverage of key preventive services, such as immunizations.
  – Provides access to quality coverage for millions of children. Currently, there are 7 million American children without any health insurance.
Planted many cost control seeds in ACA. Republicans fought these in 2010 and 2012 elections but endorsed them in the recent House Republican budgets.

- Comparative Effective Research
- Patient-Centered Medical Homes
- Accountable Care Organizations
- Health Information Technology
- CMS Center for Innovation
- Bundling of Payments
- Reductions in Hospital Readmissions
- Administrative simplification
- Provider and MA rate reductions
- IOM studies
- Prevention & Wellness Initiatives
- Tax on High Cost Plans
- Rate Reviews/MLR
- Follow-on Biologics
- IPAB
- Create incentives to reduce the number of errors and treatment mistakes
- Steer people from ER to routine care - increase access to primary care
- Medical malpractice demos
Health Care Reform - Coverage

- 360,000 small employers have used the Small Business Health Care Tax Credit to help them afford health insurance for 2 million workers in 2011.

- 3.1 million young adults gained health insurance and 6.6 billion benefited.

- More than 107,000 Americans with pre-existing medical conditions gained affordable coverage.

- More than 8,900 community health centers around the country serving 3.1 million more patients annually since 2009.

- 105 million Americans have had a lifetime limit on their coverage eliminated.

- Up to 18 million children who have pre-existing conditions can no longer be denied coverage by insurers.

- Beginning in 2014 fewer uninsured/underinsured and fewer with medical bill problems.
Health Care Law Contains Costs

• Health care law is slowing health care cost growth by reducing waste and fraud and promoting higher quality care:
  – Nearly $15 billion recovered on behalf of U.S. taxpayers over the last four years – primarily due to new tools to crack down on fraud in Medicare.
  – Hospital readmissions in Medicare have fallen for the first time on record, resulting in 70,000 fewer readmissions in the last half of 2012 alone.
  – More than 250 new Accountable Care Organizations, serving 4 million Medicare enrollees, are paid according to the quality of the care they deliver, not the quantity.
• Growth in overall health care spending & Medicare spending has decreased to record lows:
  – U.S. health care spending grew by only 3.9% in 2009, 2010, and 2011, the lowest growth rate for any year during the 52 years of the National Health Expenditure Accounts.
  – Medicare per beneficiary spending rose by just 0.4% in 2012.
  – Medicaid per beneficiary spending dropped by 1.9% in 2012.
  – As a result, Medicare and Medicaid will now spend nearly $1 trillion less over the 10-year period (2014-2023) than previously projected (CBO).
Health Care Law is Creating Savings for Consumers

- **Rate review provisions** saved an estimated $1 billion on premiums.
- Over $1 billion in rebates because of the MLR provision.
- The share of double digit premium increases requested by insurance companies plummeted from 75% in 2010 to 14% so far in 2013.
- The average projected premium for MA enrollees in 2013 is **10% lower** than in 2010.
- The expected average premium for Part D in 2013 is $30, **same as 2012**
- **$5.7 billion in savings** on prescription drugs for over 6 million beneficiaries. Those in the “donut hole” saved an average of $706.
- Premiums for Part B have gone up an average of less than 2% **a year over the last five years**.
- Annual premiums for employer-sponsored family insurance increased by 4% in 2012—**smallest increase in all but one of the last 13 years**.
Exchange Premiums: Lower than Expected

Figure 1: Comparison of ASPE-Derived CBO 2014 Premium Estimate to Individual Market Lowest Cost Silver Premium, Weighted by Expected 2014 Individual Market Age Distribution

Note: Ohio and Virginia have not yet posted premiums for all issuers; the numbers presented here may be higher than the lowest cost 2014 silver premiums when all filings are posted. Sources: Congressional Budget Office estimate derived as described in footnote 19. State data from publicly available sources, weighted by RANDCOMPARE estimate of enrollment by age in the individual market in 2014. US average constructed by weighting each state according to its proportion of individual market enrollees per the 2011 Medical Loss Ratio filings.
Many Elements Of ACA Popular Across Parties......

Percent who say they feel favorable about each of the following elements of the health reform law:

<table>
<thead>
<tr>
<th>Element</th>
<th>Total</th>
<th>Dem</th>
<th>Ind</th>
<th>Rep</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax credits to small businesses to buy insurance</td>
<td>88%</td>
<td>96%</td>
<td>87%</td>
<td>83%</td>
</tr>
<tr>
<td>Close Medicare “doughnut hole”</td>
<td>81</td>
<td>90</td>
<td>80</td>
<td>74</td>
</tr>
<tr>
<td>Create health insurance exchanges</td>
<td>80</td>
<td>87</td>
<td>78</td>
<td>72</td>
</tr>
<tr>
<td>Require easy-to-understand plan summaries (Aug-12)</td>
<td>79</td>
<td>91</td>
<td>77</td>
<td>68</td>
</tr>
<tr>
<td>Extension of dependent coverage</td>
<td>76</td>
<td>84</td>
<td>79</td>
<td>68</td>
</tr>
<tr>
<td>Subsidy assistance to individuals</td>
<td>76</td>
<td>91</td>
<td>69</td>
<td>61</td>
</tr>
<tr>
<td>Health plan decision appeals (March-12)</td>
<td>71</td>
<td>84</td>
<td>73</td>
<td>57</td>
</tr>
<tr>
<td>Eliminate cost sharing for preventive services (Aug-12)</td>
<td>71</td>
<td>86</td>
<td>70</td>
<td>53</td>
</tr>
<tr>
<td>Medicaid expansion</td>
<td>71</td>
<td>88</td>
<td>70</td>
<td>42</td>
</tr>
<tr>
<td>Guaranteed issue</td>
<td>66</td>
<td>75</td>
<td>67</td>
<td>56</td>
</tr>
<tr>
<td>Medical loss ratio</td>
<td>65</td>
<td>72</td>
<td>60</td>
<td>62</td>
</tr>
</tbody>
</table>

NOTE: Items asked of half sample. Question wording abbreviated. See additional materials for complete wording.

SOURCE: Kaiser Family Foundation Health Tracking Polls (all data shown from March 2013 poll except where noted).
10 Ways Republicans Have Acted to Undermine the Affordable Care Act:

1) Casting 40 votes to repeal the law
2) Refusing to expand Medicaid coverage in over 20 states
3) Refusing to establish state-based health insurance marketplaces
4) Undermining enrollment in health insurance marketplaces
5) Refusing to provide funding requested by the Obama Administration to implement the law
6) Attacking efforts to educate the public about the ACA
7) Intimidating potential participants in public education efforts about the law
8) Insisting that the ACA be defunded as a condition of preventing a government shutdown
9) Threatening to deny basic ACA-related constituent service requests from citizens
10) Misinforming citizens about the impact of health care reform on insurance premiums
Federal Budget Deficit, as a Share of GDP
Non-Defense Discretionary Spending Under BCA Caps will be Far Below Historical Levels
House Appropriations Plan Would Cut Domestic Spending, Raise Defense and Security

Figure 1
House Appropriations Plan Would Cut Domestic Spending, Raise Defense And Security, Compared to Current Levels

2014 discretionary funding by House appropriations subcommittee compared to 2013 funding after sequestration

- 5.4% Defense
- 3.5% Military construction, veterans affairs
- 2.6% Homeland security
- 1.6% Transportation, HUD
- 1.5% Legislative branch
- 0.4% Commerce, justice, science
- 0.5% Agriculture
- 10.0% Energy and water development
- 14.0% Interior, environment
- 14.4% State, foreign operations
- 18.6% Labor, health and human services, education
- 21.6% Financial services and general government

Source: Congressional Budget Office, House Appropriations Committee

Center on Budget and Policy Priorities | cbpp.org
Percent Change in Nonfarm Payroll Employment Since Start of Recession

Source: CBPP calculations from Bureau of Labor Statistics data.
Cumulative Growth in Average After-Tax Income, by Income Group

Percentage change in income since 1979, adjusted for inflation
• **The Facts Are Staggering:**
  
  – Women continue to earn less than men. Women make only 77 cents for every dollar a man makes; a pay gap exists even the first year out of college and continues through a woman’s life.

  – Women account for two-thirds of minimum wage workers.

  – The poverty rate – 16.3 percent for women – is the highest in 17 years.

  – Family and medical leave protections fail to cover nearly half of full-time employees.

  – Women-owned businesses continue to lag behind men-owned businesses. The average revenue of women-owned businesses is only 27% of the average revenue of men-owned businesses.
Women’s Economic Agenda:

Pay
- Paycheck Fairness
- Increase Minimum Wage (including Tipped)
- Invest in Job Training and Education Opportunities
- Protect and Restore Employment Rights
- Support Women Entrepreneurs/Small Businesses
- Pregnant Workers Fairness
- Adequate Tools to Investigate Wage Discrimination

Work & Family Balance
- Paid Sick Leave
- Paid Family and Medical Leave
- Expanded Family and Medical Leave
- Federal Employees Paid Parental Leave

Child Care
- President Obama’s Preschool and Early Head Start/Child Care Initiative
- Promote Affordable and High Quality Child Care
- Adequate Funding of Child Care Programs
- Adequate Training and Pay for Child Care Workers
- Expand Child Care Tax Credit
- Make Child Tax Credit Permanent and Indexed
- Increase Access to Child Support