The Patient Protection & Affordable Care Act (PP ACA)

Will it Help Public Health?

American Association of Public Health Physicians
San Francisco, CA, October 28, 2012
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Information Resources

• HR 3590: The Patient Protection and Affordable Care Act

• www.healthcare.gov

• http://healthreform.kff.org

• www.aarp/getthefacts

• http://www.apha.org/NR/rdonlyres/

• mediarelations@apha.org
Agenda

- History behind ACA
- Problems in the PH System
- PP ACA Benefits to Public Health
- The Future: The Election of 2012
  Will we Keep What We Have, Regress, Or Expand PH & Medicare for ALL?
History

- Egypt & China
- John Adams: Merchant Seaman Act, 1798
- Dorothea Dix & Franklin Pierce, 1854
- Theodore Roosevelt: Bull Moose Party
- Lyndon Johnson: Medicare & Medicaid
- Barack Obama: Affordable Care Act, 2010
Problems in American Medicine

- Cost: $2.6 trillion in 2010
- Access: 50 million uninsured
- Quality: US is #37 in World
- Profits outrank Service
- “Let the Market Decide”
- “No Socialized Medicine”
- “Repeal ‘ObamaCare!’”

Again, You have heard it all; so let’s go on!
Problems in American Public Health System

- Federal Agencies: USDA, EPA, OSHA, FEMA, DEd, DEnerg, etc., and
- DHHS: PHS (CDC, Prison Hlth, Niosh), FDA, INH, HRSA, etc.
- Congress: Do they have a Clue?
- States: 55 Health Depts.
- Counties and Cities: 3000
- Assns: ASTHO, NACCHO, APHA, AAPHP, etc.

LEADERSHIP??
Needs in American Public Health System

Physical

Socio-Cultural-Economic

Biologic

Air Pollution Control
Drinking Water
Transportation Safety
Food Safety
School Health
Prison Health
Family Planning
Health Ed & Promotion
STDs
Chronic Disease Control
Vital Records
Vaccines
PH Clinics
Emergency Mgmt.
Climatic Hazards
Epidemic Control
Occupational Safety
Vital Records
Pub Health Lab
Where does PH fit into a $2.6 trillion Health System?

2010

<table>
<thead>
<tr>
<th>Cost</th>
<th>$60 B</th>
<th>&lt; $50 B</th>
<th>$750 B</th>
<th>$900 B</th>
<th>$216 B</th>
<th>$53 B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number:</td>
<td>312 million</td>
<td>16 million</td>
<td>587 million vsts.</td>
<td>451 million vsts.</td>
<td>35 Mil Admts. &amp; 166 Mil Bd--Dys</td>
<td>6 Mil Patients</td>
</tr>
</tbody>
</table>

The ACA has assigned $650 Million for PH & Expanded Prevention Services
How are PH & Prevention Funds Allocated?

**A. Community Prevention:** $298 Mil.
- State & local: $222
- Tobacco Prevention: $60
- Obesity & Fitness: $16

**B. Clinical Prevention:** $182
- Wellness & Prevention (vac): $112
- Behavioral Health & 1^O Care: $70

And More....
How are PH & Prevention Funds Allocated?

C. PH Infrastructure & Training: $137 Mil
   - PH Infrastructure: $40
   - PH Workforce: $45
   - PH Capacity: $52

D. Research & Tracking: $133
   - Healthcare Surveillance: $84
   - Prevention Research (USTFPS): $49

Total for Prevention: $650 Million
Which Elements of the System will Benefit from $650 Million from the ACA?

A. Tobacco & Obesity/Fitness ($60 M)
B. Wellness & Behavioral Health ($182)
C. PH Training & Infrastructure ($137)
D. Health Care Surveillance & Prevention Research ($133)

Are These Enough? NO!! But they are a START!
But First, let us Consider Who Gets Care & Who Generates Costs

Population Distribution
- Healthy Insured: 58%
- Insured (Healthy): 165 million
- Insured (Unhealthy): 42 million
- Medicare, Elderly: 42 million
- Medicare, SSI: 4.8 million
- Uninsured: 48 million

Health Expenditure %
- $1.3 trillion
- $450 billion
- $335 billion
- 58%
- 19%
- 4%
- 15%

25% of Insured (50 million) are on Medicaid
- 30% of Population: the Elderly & Unhealthy Insured uses 81% of Resources
Now Let us ask: “Where Do We In Public Health go from Here?"

Ancients: Egypt/China
Merchant Seaman 1798
Medicare/Medicaid 1965
Affordable Care Act 2010

2013 ?
The SCOTUS Ruling on the ACA May Help

QuickTime™ and a decompressor are needed to see this picture.

It's All About TAXES
What About TAXES?

- Congress may use a Tax to Achieve its OBJECTIVE
- IMPLICATION for Pub Hlth
  - A Tax can be used for PH goals
  - A Tax can Influence Behavior
  - Tax is triggered by a Situation
  - Invites Targetted Taxes
Some Examples

- Tax on Tanning Salons
- Tax on Pollution
- Taxes on Tobacco & Alcohol
- Or a TAX on PEOPLE who SMOKE
- A Tax on Body Mass,
- Or a Tax Credit for Weight LOSS
- Or a Credit for Vaccinating Children
- And More....

Ref: Mello, MM, & Cohen, IG, NEJM.org, Oct 17, 2012
But Caveats Exist

- Taxes can be used for PH Goals
- But they can be Blocked as Well
- Legislatures do not always Agree
- Nor do the VOTERS who may Balk

BUT the Supreme Court Decision

Will Not Determine the FUTURE
The 2012 Election will Determine the Future

Four Options Exist
Option #1 (similar to 111th Congress)

Presidency: Obama, Democrat

US House:
- Republican
  - Rep: 256
  - Dem: 178

US Senate:
- Democratic
  - Rep: 46
  - Dem: 52
  - Ind: 2
Option #2 (House & Senate go RED)

Presidency: Obama is Re-elected

US House stays Republican
Rep: 256
Dem: 178

US Senate goes Republican
Rep: 52
Dem: 46
Ind: 2
Option #3

President: Romney
& VP: Ryan

US House: Republican
  Rep: 256
  Dem: 178

US Senate: Republican
  Rep: 53
  Dem: 46
  Ind: 1
Option #4

President
Obama
Is Re-elected

US House
Dem: 225
Rep: 205

US Senate
Dem: 55
Rep: 44
Ind: 1
Given Four Options, What is the FUTURE for Public Health & Health Care after 2012?

Option 1 or 2: Who Knows? More Gridlock?

Option 3:
Republicans will Repeal ACA; Privatize Medicare and Eliminate Medicaid

Option 4:
Affordable Care Act will be Solid; **Medicare for All**; might be Considered. Medicaid, WHO KNOWS??

PUBLIC HEALTH. Could Prosper
If Public Health is to Prosper, We Must Achieve Option #4

- We must then work with Congress; through **AMA, APHA, NACCHO, ASTHO, APPHP**
- We must continue to work our local **POLITICAL** Game,
- If Obama loses, we will be in entrenchment mode.

We Must Work to Improve the ACA. Work to Prevent Repeal
Regardless of the Election

The next 4 yrs Won't be EASY!!

BUT WE WILL SURVIVE
Questions?

& Discussion
History

Egypt: ~2500 BCE; Health Insurance (?)

And China: ~1600 BCE; HMOs (?)
US History

President John Adams, 1798

Signed into Law, the Merchant Seaman’s Act of 1798, which Required all Seaman to buy Insurance giving the US the resources to create a Federal Health System in all US Seaports, serving Seamen and other Federally qualified groups, It became the basis for the Public Health Service; and the VA Hospital System.
Early 20th Century History
TR, Franklin & Harry

1912
1937
1949

All failed to pass Universal Health Care
More History

LBJ: In 1964 the Election Mattered

And LBJ signed Medicare & Medicaid in Independence, MO, July 30, 1965
The Failure of Clinton’s Health Reform Legislation, opened the Flood Gates to an Expanded Private Health Insurance Industry

Clinton: 1993-94

Painful History
And Yesterday’s History

President Obama, in 2010,

with a Democratic Majority in the House and Senate Signed the Patient Protection Affordable Care Act, ACA

March 23, 2010
Fundamental Issues in Health Care that ACA will try to Solve

- **Access**: 40 to 50 million Americans are Uninsured
- **Cost**: 17% of GNP and rising
- **Quality**: Below 37 other nations
  - Too much Service, not enough Benefit
  - 150,000 unnecessary deaths a year
  - Infant Mortality: High, especially in Minorities
  - Life Expectancy: Below Japan, Europe, Canada

Docs, Pts, Hosps, are all Frustrated
WHERE Do WE Want to BE? (Goals)

- **Access** for 310 million
- **Cost** Reduction
- **Quality** Improvement:
  - Longer Life,
  - Lower Infant Mortality,
  - Lower Chronic Disease by Age
  - Expanded Primary Care
  - More Preventive Services
HOW Do WE Get THERE? (Phase I)

- **2012**: Elect Progressives in November
- **2013**: Federalize Medicaid early
  - Cover *ALL* Pregnant Women & Infants
  - Expand Medicare Coverage to *LTC & NHs*
  - Increase Payroll Deduction to 4.0% and Eliminate FICA Cap of $106,000 $320\pm B
  - Enact a Financial Activity Transfer Tax: $0.50/shr $550 billion/ year from NYSE
  - Total Input to Medicare Trust Fund: $900 B
Getting THERE:
(Phase II)

- **2014:** Expand Medicare Age Eligibility:
  - Add 50 to 65 age group;
  - Add 1 to 20 year olds to eligible group
  - Increase FICA to 7% of Payroll --> $560 B ±

- **2015:** Make 35 to 50 Medicare Eligible
  - Increase Payroll Deduction to 8.5% (+ $120 B)

- **2016:** Add 20 to 35 to Medicare Eligibility
  - Increase Payroll Deduction to 11% --> ~ $1,100 B
  - Total Annual Input to MTF: $900 + $550 + $350* = $2,000 Billion

* General Fund for Medicaid Costs
### Population Distribution by Age and Medical Costs

<table>
<thead>
<tr>
<th>Age</th>
<th>Population</th>
<th>Uninsured 2011</th>
<th>Medical Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>80 - 85</td>
<td>41,555,018</td>
<td>0%</td>
<td>$450 B</td>
</tr>
<tr>
<td>75 - 80</td>
<td>41,555,018</td>
<td>0%</td>
<td>$100 B</td>
</tr>
<tr>
<td>70 - 75</td>
<td>46,600,361</td>
<td>13%</td>
<td>$350 B</td>
</tr>
<tr>
<td>65 - 70</td>
<td>70,182,914</td>
<td>18%</td>
<td>$400 B</td>
</tr>
<tr>
<td>60 - 65</td>
<td>70,182,914</td>
<td>18%</td>
<td>$400 B</td>
</tr>
<tr>
<td>55 - 60</td>
<td>44,211,683</td>
<td>14%</td>
<td>$250 B</td>
</tr>
<tr>
<td>50 - 55</td>
<td>44,211,683</td>
<td>14%</td>
<td>$250 B</td>
</tr>
<tr>
<td>45 - 50</td>
<td>10,000,000</td>
<td>30%</td>
<td>$300 B</td>
</tr>
<tr>
<td>40 - 45</td>
<td>10,000,000</td>
<td>30%</td>
<td>$300 B</td>
</tr>
<tr>
<td>35 - 40</td>
<td>64,176,375</td>
<td>30%</td>
<td>$20 B</td>
</tr>
<tr>
<td>30 - 35</td>
<td>64,176,375</td>
<td>30%</td>
<td>$20 B</td>
</tr>
<tr>
<td>25 - 30</td>
<td>10,000,000</td>
<td>30%</td>
<td>$20 B</td>
</tr>
<tr>
<td>20 - 25</td>
<td>10,000,000</td>
<td>30%</td>
<td>$20 B</td>
</tr>
<tr>
<td>15 - 20</td>
<td>42,887,656</td>
<td>14%</td>
<td>$20 B</td>
</tr>
<tr>
<td>10 - 15</td>
<td>4,000,000</td>
<td>14%</td>
<td>$20 B</td>
</tr>
<tr>
<td>5 - 10</td>
<td>14,000,000</td>
<td>14%</td>
<td>$20 B</td>
</tr>
<tr>
<td>1 - 5</td>
<td>14,000,000</td>
<td>14%</td>
<td>$20 B</td>
</tr>
</tbody>
</table>

**Total Population:** 309,500,000

**Female:** 149,760,000

**Male:** 159,740,000

**Total Uninsured:** 49,786,877

**% Uninsured:** 14.8%
If Democrats are Elected

Reduces # of Uninsured Mothers & Children by 13.5 million
4a. In 2014: Add 50 to 65 year olds

Next 2 yrs.

Total Population: 312,078,943

Female: 42,887,656
Male: 44,211,683
Total: 87,099,339

% Uninsured: 9.6%

Total Uninsured: 30,017,742

Reduction in Uninsured: 19,769,134
In 2016: Add 35 to 50 year olds

Total Population: 312,078,943
Female Male Total Uninsured 17,612,912
% Uninsured 5.6%
Reduction in Uninsured 12,404,830

Women's Health Annual Cost Billions

- $490
- $120
- $16
- $1,186

Total
- $332
- $355

Total Reduction in Uninsured: 32,173,964
4c. In 2018: Add 20 to 35 year olds

**Final 2 years**

<table>
<thead>
<tr>
<th>Age Gps</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>80 - 85</td>
<td>42,386,118</td>
</tr>
<tr>
<td>75 - 80</td>
<td>70,884,743</td>
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<td>70 - 75</td>
<td>64,176,375</td>
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<td>65 - 70</td>
<td>47,532,368</td>
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<tr>
<td>60 - 65</td>
<td>42,887,656</td>
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<td>55 - 60</td>
<td>42,386,118</td>
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<tr>
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<td>42,386,118</td>
</tr>
</tbody>
</table>

**Total Population:** 312,078,943

**Female Male Total Uninsured % Uninsured 0.0%**

**Total Reduction in Uninsured:** 49,786,876

**Annual Cost Billions**

- $504+$
- ($300)
- $120
- $211
- $336
- $355
- $1,826