ACA – Legislative Branch

12/24/09 HR 3590 passed by Senate “Patient Protection and Affordable Care Act” v: 60-39

03/21/10 HR 3590 passed by House vote: 219-212

Executive Branch

03/23/10 HR 3590
President signed PL 111-48 (906 pages)
Affordable Care Act Titles

TITLE V — HEALTH CARE WORKFORCE
Subtitle B — Innovations in the Health Care Workforce
Sec. 5508. Increasing Teaching Capacity—Teaching Health Centers

Full Disclosure: I researched, drafted health workforce provisions that ended up in Title V of the ACA — including Teaching Health Centers
JUSTICES, BY 5-4, UPHOLD HEALTH CARE LAW: ROBERTS IN MAJORITY; VICTORY FOR OBAMA

G.O.P. Vowing To Take Battle Into November

By JEFF ZELENY
WASHINGTON — Mitt Romney and other Republicans who oppose the health care law are looking ahead to one remaining avenue of appeal: the ballot box in November.

Taken aback by the Supreme Court ruling on Thursday that upheld the constitutionality of the law, Mr. Romney and Congressional Republicans pledged to intensify their efforts to repeal it, an argument that will be a crucial element of the party’s quest to galvanize conservative activists and win control of the White House and the Senate.

Republicans swiftly sought to turn the court’s reasoning against President Obama, recasting the legislation as a tax increase. Mr. Romney, who as governor of Massachusetts signed a similar health care law, was one of the few in his party who did not join in that argument. Instead, he criticized the ruling and called upon states to pass laws that

“...All the News That’s Fit to Print...
VOL. CLXI . . . No. 55,817 FRIDAY, JUNE 29, 2012
THE NEW YORK TIMES
National Edition
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The decision was a victory for Mr. Obama and Congressional Democrats, affirming the central legislative achievement of Mr. Obama’s presidency.

“The Affordable Care Act’s requirement that certain individuals pay a financial penalty for not obtaining health insurance may reasonably be characterized as a tax. Because the Constitution permits such a tax, it is not our role to forbid it, or to pass upon its wisdom or fairness.”

Majority opinion by Chief Justice Roberts.

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Congress’s Taxing Powers Cited — Medicaid Growth Limited

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5-4 Individual mandate upheld as a tax.

Voted to uphold mandate under both the commerce clause and as a tax.

Voted to uphold mandate as a tax.

Rejected mandate entirely.

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Majority opinion by Chief Justice Roberts.
**Act I: Supreme Court Upholds ACA June 2012**

<table>
<thead>
<tr>
<th></th>
<th>Medicaid Expansion</th>
<th>Tax Mandate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alito</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Breyer</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Ginsburg</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Kagan</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Kennedy</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Roberts</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Scalia</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Sotomayor</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Thomas</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Total Y/N</td>
<td>5-4</td>
<td>5-4</td>
</tr>
</tbody>
</table>

**Tax Mandate UPHELD**

**Medicaid Expansion UPHELD**

*States can choose not to expand Medicaid – ‘unduly coercive’ to lose all Medicaid funding if a state doesn’t choose to expand Medicaid*
The Unpopular ACA Tax Mandate

- 2015 tax penalty for those without coverage: 1% of household income or $95 per person, whichever is greater

- 2016: 2% or $325 per person

- 2017: 2.5% or $695 per person
Federally Facilitated Marketplaces in States

**ACA Upheld 6-3**
Federal Government Can Operate Exchanges in States

<table>
<thead>
<tr>
<th>Justice</th>
<th>ACA Upheld</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alito</td>
<td>No</td>
</tr>
<tr>
<td>Breyer</td>
<td>Yes</td>
</tr>
<tr>
<td>Ginsburg</td>
<td>Yes</td>
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<td>Yes</td>
</tr>
<tr>
<td>Thomas</td>
<td>No</td>
</tr>
<tr>
<td><strong>Total Y/N</strong></td>
<td><strong>6-3</strong></td>
</tr>
</tbody>
</table>
Affordable Care Act (Obamacare) Expanded Medicaid, Created Marketplaces in 2014

- Expanded Medicaid to those <133% FPL
- Subsidized health insurance plans in ACA Marketplaces for those between 133-400% FPL
- Prohibited insurers from denying coverage or charging more for pre-existing conditions

Coverage Eligibility Determined by Federal Poverty Level (FPL) Based on Family Size and Family Income

<table>
<thead>
<tr>
<th>Household Size</th>
<th>2016 FPL 100%</th>
<th>2016 FPL 133%</th>
<th>2016 FPL 400%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$11,880</td>
<td>$15,800</td>
<td>$47,520</td>
</tr>
<tr>
<td>2</td>
<td>$16,020</td>
<td>$21,307</td>
<td>$64,080</td>
</tr>
<tr>
<td>3</td>
<td>$20,160</td>
<td>$26,813</td>
<td>$80,640</td>
</tr>
<tr>
<td>4</td>
<td>$24,300</td>
<td>$32,319</td>
<td>$97,200</td>
</tr>
</tbody>
</table>

Accessed 10/14/16 at: https://aspe.hhs.gov/poverty-guidelines
Lowest Uninsured Rate Ever

Dramatic Reduction in U.S. Uninsured

U.S. Uninsured by Year\(^1,2\)

14.4% or 48 Million in 2012
13.3% or 42 Million in 2013
10.4% or 33 Million in 2014
09.1% or 29 Million in 2015

Accessed 10/14/16 at: Current Population Reports | US Census Bureau

8.6% or 27 Million Uninsured 2016

U.S. Uninsured Rate Is at an All-Time Low But the Public Doesn’t Know It

To the best of your knowledge, is the rate of Americans who do not have health insurance at an...

- All-time low (correct response): 26%
- All-time high: 21%
- About the same as it has been: 46%

Note: 2016 data is for Q1 only.
Source: CDC/NCHS-NHIS; Kaiser Family Foundation Health Tracking Poll (conducted Sept. 14-20, 2016)
### U.S. Health Coverage in 2012 – Before the Affordable Care Act (Pre-ACA) Coverage

<table>
<thead>
<tr>
<th>Coverage Type</th>
<th># covered (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Health Insurance</td>
<td>202</td>
</tr>
<tr>
<td>Employer Sponsored ESI</td>
<td>171</td>
</tr>
<tr>
<td>Individual Purchase</td>
<td>31</td>
</tr>
<tr>
<td>Medicaid</td>
<td>51</td>
</tr>
<tr>
<td>Medicare</td>
<td>49</td>
</tr>
<tr>
<td>Uninsured</td>
<td>48</td>
</tr>
</tbody>
</table>
| Total Population            | 311                  

Pre-ACA: Half the U.S. Uninsured in these 10 States

[Map showing states]


Dan Derksen, MD
# Pre-ACA: 3-Yr Avg. % Uninsured

Five Highest Uninsured Rates (2007-10)

<table>
<thead>
<tr>
<th>STATE</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Texas</td>
<td>24.8%</td>
</tr>
<tr>
<td>2. New Mexico</td>
<td>21.8%</td>
</tr>
<tr>
<td>3. Florida</td>
<td>20.7%</td>
</tr>
<tr>
<td>4. Nevada</td>
<td>20.0%</td>
</tr>
<tr>
<td>5. Arizona</td>
<td>19.1%</td>
</tr>
</tbody>
</table>

Adapted by Daniel Derksen, MD from US Census Bureau Data 2007-2010
Pre-ACA: the Four US-Mexico Border States: 60% of U.S. Latino Uninsured

• 48 Million Total U.S. Uninsured 2012
• 15 Million Uninsured Latinos in U.S.
• 9M (60%) Uninsured Latinos lived in the Four U.S.-Mexico Border States

- 7M uninsured total in CA
  - 4.1M uninsured Latino

- 1.2M uninsured total in AZ
  - 0.7M uninsured Latino

- 0.4M uninsured total in NM
  - 0.2M uninsured Latino

- 6.2M uninsured total in TX
  - 3.8M uninsured Latino

Accessed 10/14/14 at: http://kff.org/uninsured/state-indicator/rate-by-raceethnicity/
2014 U.S. Health Spending

$3 Trillion

Who Pays?

- 33% Private Insurance
- 20% Medicare
- 16% Medicaid
- 11% Out of Pocket
- 20% Other

http://content.healthaffairs.org/content/35/1/150.full.pdf+html

Dan Derksen, MD
Categories of U.S. Health Spending

2014 Total = $3 Trillion

- Hospital: 32%
- Physician & Clinic: 20%
- Other: 29%
- Rx: 10%
- Dental: 4%
- Nursing Home: 5%

Martin A et al: Health Affairs Jan 2016 Accessed 02/10/16 at: http://content.healthaffairs.org/content/35/1/150.full.pdf+html
Which President?
1965 Medicare
1965 Medicaid (AHCCCS 1982)
1997 CHIP (AZ KidsCare 1998)
2010 ACA (Obamacare)

Clinton CHIP
Johnson Medicare Medicaid
Obama ACA
Title XVIII MEDICARE

$619 billion dollars spent in 2014
Covers 53 million people
Covers age 65 years and above

Martin: Health Affairs Jan 2016 Accessed 02/10/16 at: http://content.healthaffairs.org/content/35/1/150.full.pdf+html
U.S. Social Security Act (SSA)  
MEDICAID SSA Title XIX (1965)  
CHIP SSA XXI (1997)

Medicaid+CHIP $496 billion spent\(^1\) in 2014

2016 Medicaid+CHIP cover 72.8 million people\(^2\)

1. Martin: Health Affairs Jan 2016 Accessed 02/10/16 at: http://content.healthaffairs.org/content/35/1/150.full.pdf+html
Current Status of State Medicaid Expansion Decisions

31 States + DC Expanded Medicaid

14.5M Medicaid Enrollees 2014-16
78 Rural Hospital Closures Since 2010

Medicaid + Marketplace Gain Pre/Post ACA
U.S. Enrollment Sept 2013 thru Sept 2016

UNITED STATES

Medicaid + CHIP $1
+15.4 Million

Age <26 Parents’ Plan $2
+2.3 Million

Marketplace $3
+10.4 Million
Effectuated Enrollment (paid premiums)

Income <133% FPL Medicaid (in 31 states expanding Medicaid)
Income <200% FPL CHIP

# U.S. Residual Uninsured 2016

<table>
<thead>
<tr>
<th>2016 U.S. Uninsured Category</th>
<th>In Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible for Medicaid or CHIP</td>
<td>6.4</td>
</tr>
<tr>
<td>Adult (3.8 M) + Children (2.6 M)</td>
<td></td>
</tr>
<tr>
<td>Eligible for ACA Marketplace Subsidy</td>
<td>5.3</td>
</tr>
<tr>
<td>Offered Employer Sponsored Insurance ESI</td>
<td>4.5</td>
</tr>
<tr>
<td>Income &gt;400% FPL</td>
<td>3.0</td>
</tr>
<tr>
<td>In one of 19 States Not Expanding Medicaid</td>
<td>2.6</td>
</tr>
<tr>
<td>Undocumented Immigrants</td>
<td>5.4</td>
</tr>
<tr>
<td><strong>Total U.S. Residual Uninsured in 2016</strong></td>
<td><strong>27.2</strong></td>
</tr>
</tbody>
</table>


Dan Derksen, MD
Did you know?

Arizona’s land area of 113,594 sq. miles would encompass the state of New York, the six New England States (CT, ME, MA, NH, RI, VT) and DC + Delaware
# Before ACA: AZ Health Coverage

<table>
<thead>
<tr>
<th>Payer Source</th>
<th># Arizonans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicaid/AHCCCS</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Uninsured</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Medicare</td>
<td>800,000</td>
</tr>
<tr>
<td>Private Insurance</td>
<td>3,300,000</td>
</tr>
<tr>
<td>Total Pop. Arizona</td>
<td>6,500,000</td>
</tr>
</tbody>
</table>
How Arizona Halved Its Uninsured 2013-16

AHCCCS – AZ Medicaid
<133% FPL ($32,319 Family of 4)
July-Sep 2013 to Oct 2016 Net Gain
+600,000
AZ <26 Parents’ Plan
+70,000
AZ MARKETPLACE
133-400% FPL ($32,319-$97,200 Family of 4)
OE-3 Effectuated Enrollment* Mar 31, 2016
+180,000

Arizona Total: +850,000

KidsCare/CHIP restored 09/2016: +6,000

Eligible Arizona Children Age <19 years between 133-200% FPL

2. AHCCCS/Medicaid Accessed 10/14/16 at: https://www.azahcccs.gov/Resources/Reports/population.html
3. *Effectuated Enrollment (paid premium). Accessed 10/14/16 at:

Dan Derksen, MD
Not All Uninsured 2013-16 Reduction Was Due to ACA: Restoration Prop.204+KidsCare

AHCCCS – AZ Medicaid
Jan 2016 restored Prop. 204 enrollment (citizen ballot initiative 2001) to childless adults 100% FPL
Enrollment frozen in July 2011
Oct 2016 Net Gain

+314,000

AZ KidsCare/CHIP
133-200% FPL Restored September 1, 2016
Enrollment frozen in January of 2010 when enrollment was 45,000 (Aug 2016 at 528)
Since Oct 2016 Net Gain

+6,000

Non-ACA Coverage Restoration Increase:

+320,000

AHCCCS/Medicaid Accessed 10/14/16 at: https://www.azahcccs.gov/Resources/Reports/population.html
*Effectuated Enrollment (paid premium). Accessed 10/14/16 at:
## Arizona Residual Uninsured 2016

<table>
<thead>
<tr>
<th>2016 Arizona Uninsured Category</th>
<th>#Uninsured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible for Medicaid or CHIP</td>
<td>328,000</td>
</tr>
<tr>
<td>Eligible for Marketplace Subsidy</td>
<td>110,000</td>
</tr>
<tr>
<td>Offered Employer Sponsored Insurance</td>
<td>112,000</td>
</tr>
<tr>
<td>Income &gt;400% FPL</td>
<td>67,000</td>
</tr>
<tr>
<td>Undocumented Immigrants</td>
<td>156,000</td>
</tr>
<tr>
<td>AZ Total Residual Uninsured in 2016</td>
<td>773,000</td>
</tr>
</tbody>
</table>

Arizona’s Alarming Marketplace Consolidation
Open Enrollment (OE-4) 11/01/16 to 01/31/17

AZ Marketplace 2014-15 (OE-2)
Tucson/Phoenix (Pima/Maricopa Co.)
10 Insurers Offer >100 Plans
**************
13 Other (Rural) AZ Counties
7 Insurers Offering 70 Plans

AZ Marketplace 2015-16 (OE-3)
Tucson/Phoenix (Pima/Maricopa)
5-8 Insurers Offer 28-69 Plans
**************
13 Other (Rural) AZ Counties
2-3 Insurers Offer 15-18 Plans

AZ Marketplace OE-4
Begins 11/01/16 until 1/31/17
1 to 2 Insurers Offer Plans

Phoenix+Tucson
13 Other Counties
1 Insurer, 5 Plans

13 Other Counties
1 Insurer, 5 Plans

Dan Derksen, MD
Arizona’s Alarming Marketplace Consolidation

Open Enrollment (OE) Period 2 vs. 4

AZ Marketplace
11/1/16-01/31/17
OE-4

Maricopa Co. (Phoenix)
Pima Co. (Tucson)

13 Other AZ Counties

AZ Marketplace
2014-15 (OE-2)

Aetna
Health Choice
ASSURANT Health
Blue Cross Blue Shield of Arizona
meritus
Cigna
United Health Care

Blue Cross
Blue Shield
of Arizona

Health Net

THE UNIVERSITY OF ARIZONA
MEL & ENID ZUCKERMAN COLLEGE OF PUBLIC HEALTH
Center for Rural Health

Dan Derksen, MD
### 2016 vs 2017 Avg. Premium Increase for 25 y.o. Non-Smoker, Silver Plan AZ

<table>
<thead>
<tr>
<th>AZ County</th>
<th>2016</th>
<th>2017</th>
<th>Avg. Monthly Rate Increase</th>
<th>Avg % Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maricopa</td>
<td>$206</td>
<td>$386</td>
<td>$180</td>
<td>87%</td>
</tr>
<tr>
<td>Pima</td>
<td>$190</td>
<td>$274</td>
<td>$84</td>
<td>44%</td>
</tr>
<tr>
<td>Gila, Pinal</td>
<td>$219</td>
<td>$453</td>
<td>$234</td>
<td>107%</td>
</tr>
<tr>
<td>Apache, Navajo, Coconino, Mohave</td>
<td>$275</td>
<td>$501</td>
<td>$226</td>
<td>82%</td>
</tr>
<tr>
<td>Yavapai</td>
<td>$294</td>
<td>$586</td>
<td>$292</td>
<td>99%</td>
</tr>
<tr>
<td>Yuma, La Paz</td>
<td>$261</td>
<td>$593</td>
<td>$332</td>
<td>127%</td>
</tr>
<tr>
<td>Santa Cruz</td>
<td>$190</td>
<td>$395</td>
<td>$200</td>
<td>108%</td>
</tr>
<tr>
<td>Cochise, Graham, Greenlee</td>
<td>$238</td>
<td>$486</td>
<td>$248</td>
<td>104%</td>
</tr>
</tbody>
</table>


Coverage Options

AHCCCS
<133% FPL
<=$32,319

KidsCare
133-200% FPL
$48,600

Marketplace
To 400% FPL
$97,200

For a Family of Four
Low Arizona Participation Rates - Rural, Latino, American Indian
## Coverage Disparities → Poor Health Outcomes

<table>
<thead>
<tr>
<th>Percent Uninsured</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>American Indian</strong></td>
<td>31%</td>
</tr>
<tr>
<td><strong>Hispanic/Latino</strong></td>
<td>29%</td>
</tr>
<tr>
<td><strong>White</strong></td>
<td>11%</td>
</tr>
</tbody>
</table>
Equity is the absence of avoidable or remediable differences among groups of people, whether those groups are defined socially, economically, demographically, or geographically.

Dan Derksen, MD
dderksen@email.arizona.edu