# Agility in a Changing World: Impact of a Unified Congress and Administration

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## Executive Order – Repeal Obamacare

All agencies should:

- Minimize the unwarranted economic and regulatory burden of the act
- Greater flexibility to states
- Free and open insurance markets through interstate commerce

- "To the Maximum Extent Permitted by Law"

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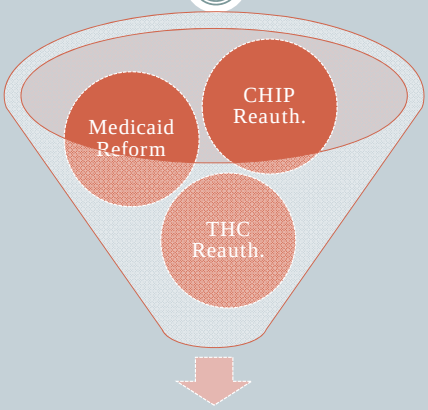
## Repeal and Replace




Sausage



## Chaos is the New Standard

Tyranny of the Unknown

What will be included in Repeal?

- **Teaching Health Centers**
- **Medicare GME:** Allows Non Hospital Training, Didactic Fix, and Closed Hospital Slot Distribution provisions
- **Medicaid Reform**
- **Title VII – Health Professions**

Some versions include these – others limited to insurance/coverage/market place issues

## Key Reauthorizations Needed

Facing a Cliff – Funding ends Sept 30, 2017:

- Teaching Health Centers
- Community Health Centers
- National Health Service Corps

Due for Reauthorization even if not funded by mandatory spending:

- CHIP – may be rolled up in Medicaid reform
- Title VII

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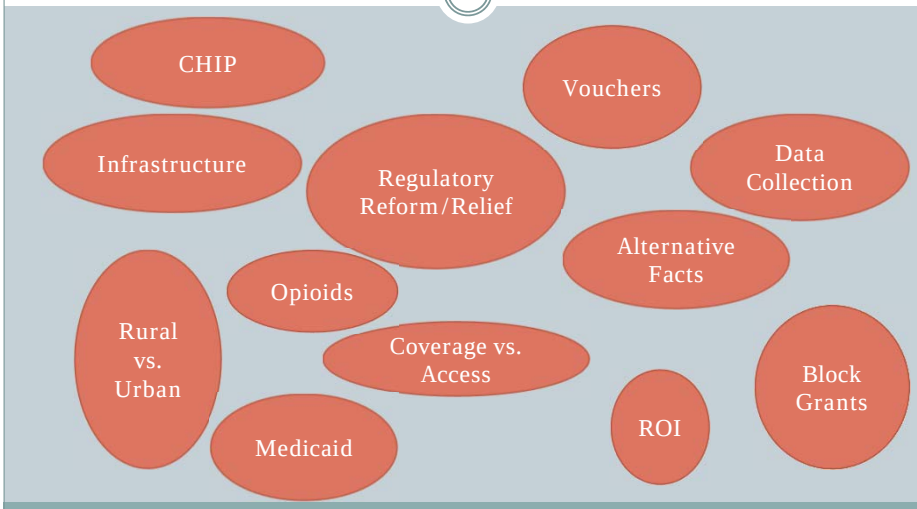
## New Language/New Culture

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## Republican Plans

- Heritage Foundation
- Paul Ryan's A Better Way
- Republican Study Committee (RSC) Repeal Plan
- CARE Act



## Common Elements

- Repeal of Obamacare
- Standard Deduction for health insurance (employer or self purchased) $7500 Ind/$20,500 family
- Pre-existing conditions – federal support for high risk pools and portability
- Purchase allowed across state lines
- Small businesses can pool together to negotiate rates.
- Medicaid Reform: block grants or per capita payments

## State Budgets Under Duress

- Spending limits under block grants and per capita spending – GME first to go
- Texas
- Massachusetts
- Ups and Downs over time – corresponding with state budget constraints
- Need for vigilance and advocacy



## Government Accountability Office Report

- Aug 2015 Brady/McMorris Rogers letter to GAO
- Due this spring – postponed frequently
- 5 Broad Questions/Recommendations for GAO to answer

## GAO study

### Five broad Questions/Recommendations:

- How to refine, validate, and standardize payments– along with how to track federal dollars?
- Where is there a need for increased oversight or consolidation?
- Similar set of rules for all providers re: eligibility and variability?
- Identify inefficiencies and duplication in current GME programs; recommend how to improve?
- Current slot allocation by specialty and region; correlation to rural and other underserved areas; How to reduce geographic disparities?



## VACAA GME Expansion by Target

| VACAA GME Initiative through 3rd Round | Approved Positions Round 1 | Round 2 | Round 3 | Cumulative 3-yr Totals |
|---|---|---|---|---|
| Rural Sites (self-designated) | 18.65 | 21.55 | 14.95 | 55.15 |
| Family Medicine | 16.9 | 7.25 | 19.5 | 43.7 |
| Osteopathic Programs (AOA) | 12.7 | 1.0 | 4.25 | 17.95 |

| VACAA GME Initiative through 3rd Round | Approved Percentages Round 1 | Round 2 | Round 3 | Cumulative 3-yr Totals |
|---|---|---|---|---|
| Rural Sites (self-designated) | 9.1% | 12.8% | 8.5% | 10.07% |
| Family Medicine | 8.3% | 4.3% | 11.1% | 7.97% |
| Osteopathic Programs (AOA) | 6.2% | 0.6% | 2.4% | 3.28% |

## VA GME

- Structural Barriers to FM VA training
- Allow GME positions to train in non-VA facilities – such as FM training sites
- Deem FM training sites as virtual CBOCs



## Single Accreditation System Impact on Slots

- Very few applications for ACGME accreditation
- Well over 200 programs haven't applied – won't be able to achieve accreditation
- What happens to those slots?
- How do we retain them in family medicine and primary care?

## Threats and Opportunities

- Need for Active advocacy
- Who has contacts?
  - Any Member of Congress/Senators
  - Governors
  - State Legislators
  - Key health Committees – state legislatures and Congress
- Who needs help with advocacy tools?

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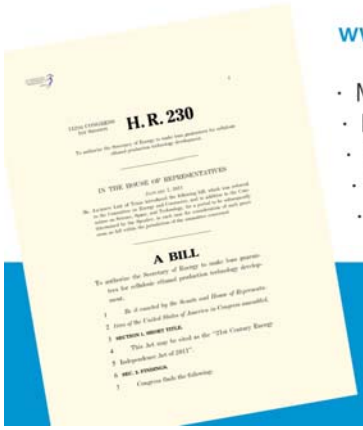
## NEW Advocacy Modules

**STFM's FREE Advocacy online modules** have been completely revised and updated for 2015 with new modules, more interaction, video interviews with fellow family medicine advocates, animated slides, and a running time of under 45 minutes.




www.stfm.org/OnlineEd/AdvocacyCourse

- Module 1: *Getting Started in Advocacy*
- Module 2: *Prepare and Make Contact*
- Module 3: *The One-Pager*
- Module 4: *The Visit*
- Module 5: *Maintaining the Relationship*

STFM SOCIETY OF TEACHERS OF FAMILY MEDICINE

## A Better Way

- Repeal Obamacare
- expand Health Savings Accounts (HSAs); new Health reimbursement accounts; increased portability
- allow expansion of private exchanges
- a universal, advanceable, refundable tax credit for individuals and families

## A Better Way – State Innovations

- State Innovation Grants of at least $25 billion to reward states for developing effective reforms that make health care more affordable and accessible.
- Additional $25 billion would be dedicated to states to support robust high-risk pools.
- Medicaid Reform: States would be able to choose between a block grant approach or a per capita allotment. Either would cap the federal government's spending on the program.

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## A Better Way, States

- Current provisions of expanded Medicaid expansion states for adult populations above the poverty level would be phased out
- work related requirements for able bodied adults
- modify the waiver process, by providing for fast track parameters, grandfathering of renewals, and requiring waivers to be budget-neutral to the federal government.

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## A Better Way - Medicare

- The Independent Payment Advisory Board (IPAB) would be repealed, as would the Center for Medicare and Medicaid Innovation (CMMI.) The ban on physician-owned hospitals would be repealed as well.
- gradually increase the Medicare retirement age beginning in 2020 to correspond with that of Social Security.
- Use conventional defined-contribution programs.



## Heritage Foundation: Medicaid

- Give enrollees the option of receiving financial assistance from the Medicaid program for the purchase of private health insurance.
- Allow interstate purchase of health insurance
- State policymakers should pursue innovation and experimentation.

## Heritage Foundation: Medicare

- Replace the current tax treatment of health insurance with a credit that is individually-based.
- Subsidies for low-income, non-taxpaying workers by redirecting existing health care spending.
- Switch from defined-benefit model to a defined-contribution model.
- Allow individuals facing retirement to keep their private health insurance into retirement and receive a defined contribution from the Medicare program.



## Republican Study Committee (RSC) Repeal

H.R.277; Rep. Roe (R-TN) + 25 cosponsors

American Health Care Reform Act of 2017

- Full Repeal of Obamacare – Jan 1, 2018
- Standard Deduction for health insurance (employer or self purchased) $7500 Ind/$20,500 family
- Pre-existing conditions – federal support for high risk pools and portability
- Purchase allowed across state lines
- Small businesses can pool together to negotiate rates.
- Ban use of comparative effectiveness data