

# **Health Care Outlook - 2011**

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## References:

- Affordable Care Act - 2010
- ARRA – 2009
- Public Health Services Act – 1944
- Dan Hawkins – National Association of Community Health Centers
- Richard Gilfillan, MD – Center for Medicare and Medicaid Innovation
- Melanie Bella – Center for Medicare and Medicaid Integration
- Nancy Anne DeParle – White House Health Policy Advisor
- Zeke Emanuel, MD – OIG White House
- Robert Brook, MD - RAND Corporation
- Ed Schor, MD - Commonwealth Fund
- Kellogg Foundation



# Health Care Industry - 2011

- Another **10% increase** in cost of care.
- Still a **growth industry** due to insufficient infrastructure for increasing demand
  - baby boomers
  - increased life expectancy
  - medical schools lagging in keeping up with demand
  - Coming Soon - newly insured through health reform.
- In Tulsa region - **demand will be greater than supply**
  - forecast of 100,000 (+) newly insured through insurance exchange and Medicaid expansion
  - Oklahoma ranks on the bottom regarding physicians per capita.
  - More physicians practicing “off the grid”.

# The Big Modifier: Federal Health Reform → Stop Health impact on GDP at 18%

2010 Federal Health Reform - ACA

2009 Stimulus - ARRA

1944 Public Health Services Act - PHSA

House, Senate and  
White House Negotiations

Agency Policies,  
Procedures and Rules

- Health and Human Services
  - Centers for Medicare and Medicaid
  - Agency for Health Research and Quality
  - Centers for Disease Control
  - Health Resources and Services Administration

Passed Into Law

Modified Laws - yes

Repealed Laws - no

Practice of Medicine  
In Community

# Health Reform Basic Areas:

1. Health Care Coverage – 32 million now covered. 50% through Medicaid. In Tulsa, 100,000 newly insured.
  2. Insurance Reform – limits on limits.
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3. Workforce Initiatives – expand public health, nursing, PAs, nursing, primary care, FQHCs as teaching sites.
  4. Access to Care – primary expansion through FQHCs.
  5. Quality of Care – reimbursement based on reporting, performance.
  6. Efficiency of Care – lower payments per visit, more patients in need.
  7. Reimbursement Changes – bundled care, “risk” pushed to providers.
  8. Greater detection of fraud, waste and abuse – more OIG agents. Not practicing evidenced based medicine is “waste and abuse.”
  9. Faster transitions from research to patient care.
  10. Center for Medicare and Medicaid Innovation – creativity in health care design and payment through Accountable Care Organizations and Health Innovation Zones.

# 2011 Health Care in Oklahoma

- State budget crisis – dramatically reduced Medicaid eligibility, rates and benefit design. As other States have successfully done - **Fix is Provider Fee.** Generates new State funds to be matched with Federal programs.
- Limits on insurance limits implemented.
- Reductions in Medicare rates to hospitals.
- Fraud, waste and abuse detection.
- Bonus for health information technology use.
- Sort out State – Federal tension
  - Mandated individual health care coverage
  - Mandated Medicaid expansion
  - Louisiana – suing Feds and setting up their insurance exchange at the same time?
- New partnerships around consolidation to gain efficiency → ACOs.
- Physicians
  - Concierge care
  - Expand medical education
  - Greater reliance on physician extenders

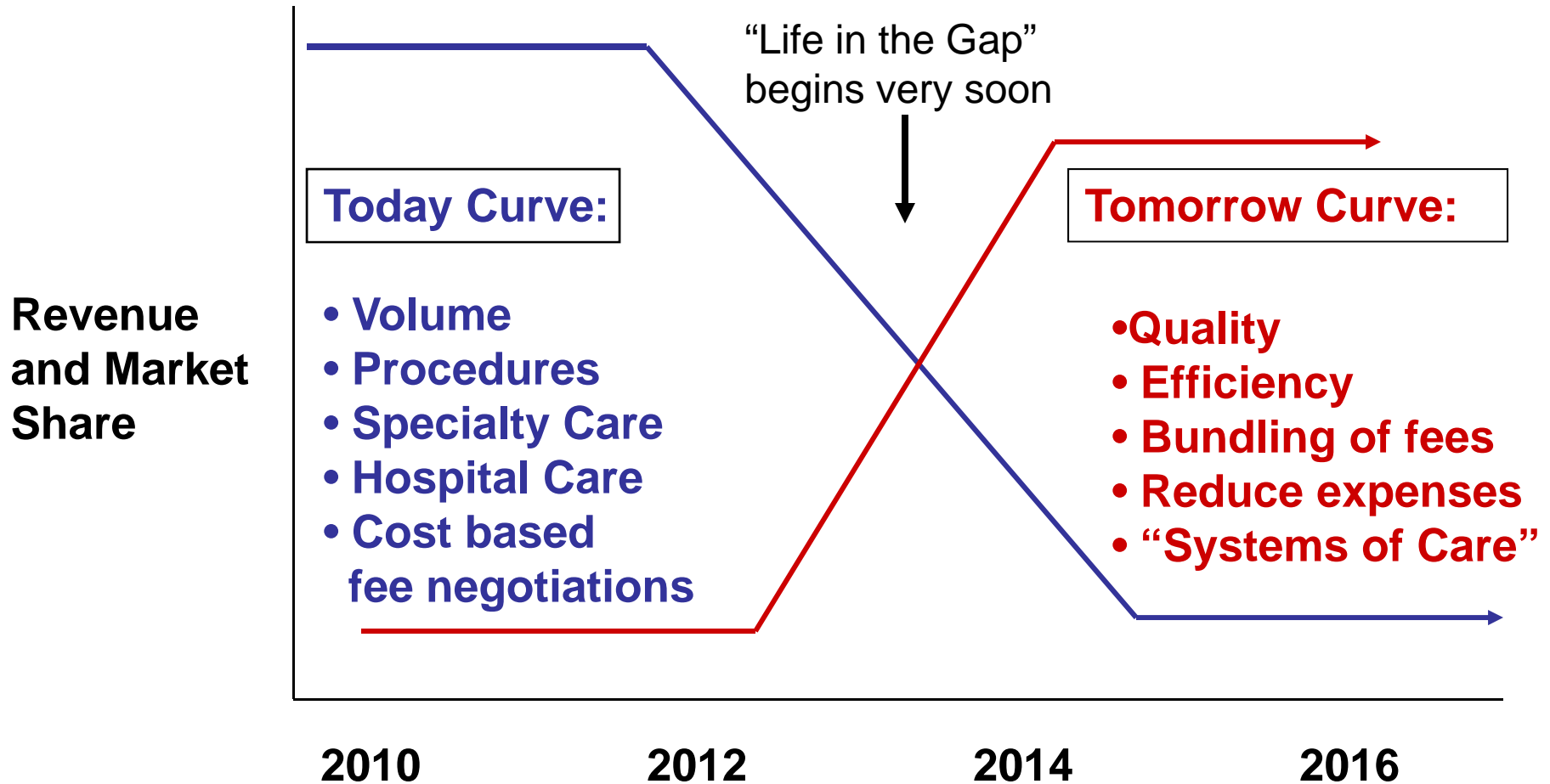
# Health Reform Roll-Out – 2011....

## “Choppy Waters”

- Race to implement and demonstrate success in reducing costs and increasing quality .
- Slow down funding when possible.
- Race to courts over individual mandate.
- Move slowly through courts to allow further implementation.
- Rough time for payors, clinicians and educators.



# 2011 – 2016 Timeline in Health Care Delivery



“By 2014, you must learn how to make money at current Medicare payment levels...”

