



## AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

January 14, 2013

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These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

### Grants and Demonstrations

The ACA provides funding opportunities to transform how health care is delivered, expand access to care and support healthcare workforce training.

### Grant Announcements

**Nursing Workforce Diversity (NWD) Program, \$5404.** Announced January 10, 2013. Funding is available to provide educational opportunities in nursing for individuals from disadvantaged backgrounds to increase access to quality health care by increasing diversity in the nursing workforce. Accredited schools of nursing, nursing centers, academic health centers, state or local governments, and other eligible community groups are eligible to apply. Grantees will support efforts to recruit, retain and graduate disadvantaged populations by providing stipends, scholarships and mentorship. Projects should address larger social and structural issues that hinder efforts to diversify the nursing workforce. \$6M in 15 awards is available. Applications are due March 3, 2013.

The announcement can be viewed at: [Announcement](#)

**Emergency Medical Services for Children: Targeted Issues Demonstration Projects, \$5603.** Announced January 9, 2013. Funding is available to expand and improve upon the care that is provided in a pre-hospital setting by Emergency Medical Services (EMS) providers for children. State governments and accredited schools of medicine are eligible to apply. Two types of projects will be funded. The first category of projects will seek to provide an infrastructure for pediatric pre-hospital research by establishing a Research Node Center that will design research studies, collect data and seek funding for larger scale studies. The second category of projects will seek to improve pediatric pre-hospital research by addressing one of

the following areas: improving the evidence base for pediatric care provided by EMS providers; improving quality and safety of pediatric care provided by EMS providers; improving EMS provider abilities through system based approaches; and evaluating the effectiveness of EMS systems. \$2.1M in 7 awards is available.

Applications are due April 9, 2013.

The announcement can be viewed at: [HRSA](#)

## News

**1/10/13 HHS released a brief called "Growth in Medicare Spending per Beneficiary Continues to Hit Historic Lows."** The report illustrates that Medicare spending per beneficiary grew at 0.4% per capita in fiscal year 2012, continuing the very low growth in the program seen in 2010 and 2011. Projections by both the Office of the Actuary at CMS and by the Congressional Budget Office in the report estimate that Medicare spending per beneficiary will grow at approximately the rate of growth of the economy for the next decade, keeping the Medicare program on a sustainable course.

The report states that the reduction in spending was achieved as Medicare beneficiaries gained access to additional benefits under the ACA, such as increased coverage of preventive services and lower cost-sharing for prescription drugs. Through §4103 and §4104 of the ACA, people with original Medicare receive **free preventive services**, including annual wellness visits. Prior to the ACA many people with Medicare had to pay for preventive health services. In 2010, nearly 4 million people with Medicare who hit the Medicare Part D prescription drug coverage gap (**known as the donut hole**) received an automatic \$250 rebate. In 2012 Medicare beneficiaries received a 14% discount on generics and a 50% discount on their covered brand name prescription drugs. These discounts will continue to grow over time until the Medicare Part D prescription drug coverage gap is closed completely in 2020 as required by §1101.

Read the HHS issue brief at:

<http://aspe.hhs.gov/health/reports/2013/medicarependinggrowth/ib.pdf>

For more information on the donut hole coverage, visit:

<http://www.healthcare.gov/law/features/65-older/drug-discounts/index.html>

For more information on the free preventive services, visit:

<http://www.healthcare.gov/law/features/65-older/medicare-preventive-services/index.html>

**1/10/13 HHS announced that under the Medicare Shared Savings Program (MSSP)**, a program authorized by §3022 of the ACA that helps to facilitate coordination among providers to improve the quality of care for Medicare beneficiaries, 106 Accountable Care Organizations (ACOs) have entered into agreements with CMS, as of January 1, 2013. Together, the ACOs have the potential to serve as many as 4 million people with Medicare across the United States, taking responsibility for the quality of care provided to Medicare beneficiaries in return for the opportunity to share in savings realized through improved care.

ACOs are groups of doctors, hospitals, and other health care providers, who come together voluntarily to give coordinated high quality care to the Medicare patients they serve to help ensure that patients, especially the chronically ill, get appropriate care, with the goal of avoiding unnecessary duplication of services and preventing medical errors. When an ACO succeeds in both delivering high-quality care and spending health care dollars more wisely, it will share in the savings it achieves for the Medicare program. Medicare offers several ACO programs, including: 1) Medicare Shared Savings Program (for fee-for-service beneficiaries), 2) Advance Payment Model (for certain eligible providers already in or interested in the Medicare Shared Savings Program) and 3) Pioneer ACO Model (Health care organizations and providers already experienced in coordinating care for patients across care settings).

Approximately 50% of all ACOs are physician-led organizations that serve fewer than 10,000 beneficiaries. In addition, about 20% of all ACOs include community health centers, rural health centers and critical access hospitals that serve low-income and rural communities. To ensure that savings are achieved through improving and providing care that is appropriate, safe, and timely, an ACO must meet strict quality standards. CMS has established 33 quality measures relating to care coordination and patient safety, appropriate use of preventive health services, improved care for at-risk populations, and the patient and caregiver experience of care.

**HHS also announced that out of the 106 new organizations, 15 of those ACOs will also be participating in the Advanced Payment Model.** The Advance Payment ACO Model allows smaller physician practices and rural providers to receive some start-up funding to make important investments in their care coordination infrastructure that would later be recouped out of the entries' sharing savings. The additional 106 ACOs announced bring the total number of organizations participating in Medicare Shared Savings initiatives to over 250.

Learn more about the Advanced Payment Model at:

<http://innovations.cms.gov/initiatives/aco/advance-payment/index.html>

Nine new ACOs will be servicing Massachusetts. They are: Accountable Care Clinical Services, PC; Accountable Care Organization of New England; Cambridge Health Alliance; Cape Cod Health Network ACO, LLC; Collaborative Health ACO; Lahey Clinical Performance Accountable Care Organization, LLC; Pioneer Valley Accountable Care, LLC; Southcoast Accountable Care Organization, LLC and Winchester Community ACO.

For a complete list of the 106 new ACOs, click [here](#).

New ACO applications will be accepted annually. The application materials for organizations that wish to participate in the MSSP beginning in January 2014 application cycle will be released in spring 2013.

More information, including application requirements, is available at: CMS

More information on this announcement is available at:

<http://www.hhs.gov/news/press/2013pres/01/20130110a.html>

**1/11/13 Nancy Ann DeParle, a key White House health advisor announced plans to leave her position in the Obama administration.** DeParle, who is currently Assistant to the President and Deputy Chief of Staff, will join the Brookings Institution as a guest scholar in Economic Studies beginning on January 28, 2013.

DeParle, who was critical to the passage and early implementation of the Affordable Care Act, was chosen by Obama to Direct the White House Office of Health Reform, and she has since been a crucial Obama advisor, serving as a policy advisor and deputy chief of staff.

DeParle previously served as head of the Clinton administration's Health Care Financing Administration (the predecessor agency to CMS). Before joining HHS, she was Associate Director for Health and Personnel at the White House Office of Management and Budget (OMB). She also served as commissioner of the Department of Human Services in her home state of Tennessee.

Read the Brookings Institution press release at:

<http://www.brookings.edu/about/media-resources/news-releases/2013/0111-deparle>

## Upcoming Events

### **Quarterly Affordable Care Act Implementation Stakeholder Meeting**

Friday, January 18, 2013

1:00 PM- 2:00 PM

1 Ashburton Place, 21st Floor

Boston, MA

### **Integrating Medicare and Medicaid for Dual Eligible Individuals Open Meeting**

January 22, 2013

10:00 AM - 12:00 PM

One Ashburton Place, 21st Floor, Conference Rooms 1, 2, and 3

Boston, MA

Bookmark the **Massachusetts National Health Care Reform website** at: [http://mass.gov/national\\_health\\_reform](http://mass.gov/national_health_reform) to read updates on ACA implementation in Massachusetts.

Remember to check <http://mass.gov/masshealth/duals> for information on the **"Integrating Medicare and Medicaid for Dual Eligible Individuals"** initiative.