

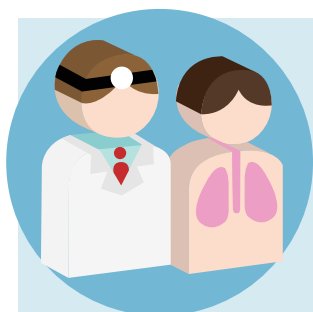
HEALTH SYSTEM REFORM UPDATE

In an effort to make sure you are informed about the changes to our health care delivery system stemming from the health system reform law, the Patient Protection and Affordable Care Act (PPACA), we will be introducing a new recurring section in Ohio Medicine dedicated to this topic. Starting in 2011, each issue will contain a section entitled, "Health System Reform: What you Need to Know." We will also be expanding the resources currently available on our website regarding health system reform. These resources will be available at www.osma.org/hsr.

Many provisions of the PPACA will go into effect starting Jan. 1, 2011. These provisions are listed below* and broken down by subject. The impact of these provisions will be explored in greater detail in future issues of Ohio Medicine and on our website.

HEALTH SYSTEM REFORM: *ARE YOU READY?*

PROVISIONS EFFECTIVE – JAN. 1, 2011.



PREVENTATIVE SERVICES - start date of new requirement that Medicare pay 100% of the cost of certain preventative services. (4104**)

GRANTS - Secretary*** must award grants to states to provide incentives to Medicaid beneficiaries to participate in programs that promote healthy lifestyles. (4108**)

TRANSPARENCY - HHS will develop a website on Medicare physicians participating in the Physician Quality Reporting Initiative (PQRI) program.

WELLNESS - Start date for requirement that annual wellness visits be covered by Medicare. (4103**)

GRANTS - Secretary*** to issue grants under Community-Based Care Transition Program that will go to entities that provide transition services to beneficiaries at high risk for hospital readmission. (3026**)

TRANSPARENCY - Grandfathered plans must comply with information transparency requirements which will allow consumers to compare plan benefits, cost-sharing requirements, and renewability and continuation of coverage provisions. (1001; 10103**)



FSA, HRA, AND HSA - Prohibits individuals from using Flexible Savings Accounts, Health Reimbursement Accounts, and Health Savings Accounts to purchase over-the-counter medicines. (9003**)

EMPLOYER FILING - Mandates that businesses which pay more than \$600 during any year to corporate and non-corporate property providers file an information report with each provider and the IRS similar to a W-2. (9006**)

SMALL BUSINESS - Creates tax credits for health insurance-related expenses for small businesses. (1421**)



SCOPE OF PRACTICE (PHYSICIAN ASSISTANTS) - Allows physician assistants to certify that a Medicare beneficiary needs post-hospital, extended-care service paid for by Medicare. (6402**)

SCOPE OF PRACTICE (NURSE-MIDWIVES) - Deadline for Secretary*** to increase Medicare payments to nurse-midwives equal to payments to physicians providing the same services. (3114**)



NATIONAL PROVIDER IDENTIFIER – Secretary*** must issue regulations requiring all providers/suppliers who bill Medicare or Medicaid to include a national provider identifier on all enrollee applications and on all claims submissions. (6402**)

MEDICARE ADVANTAGE - Deadline for Secretary*** to install a new requirement that allows any Medicare Advantage beneficiary a 45-day window to disenroll, enter in Medicare fee-for-service, and enroll in Medicare Part D. (3204**)

MEDICARE ADVANTAGE - Deadline for Secretary*** to decide whether to grant employer-based Medicare Advantage private fee-for-service plans in existence as of 10/1/2009 a waiver from provider network requirements. (3207**)

PART D - All plans that include Part D coverage must cover those of "clinical concern" as identified by the Secretary*** unless right to exclude is granted by the Secretary**. (3307**)

STRATEGY - Deadline for Secretary*** to deliver a strategy report to Congress addressing the improvement of delivery of care, patient outcomes, and population health. (3011**)



PAYMENTS - Beginning of the 10% bonus payments on selected evaluation and management and general surgery codes to primary care providers/general surgeons for services provided 1/1/2011 - 12/31/15. (3108**)

CANCER HOSPITALS - Deadline for Secretary*** to adjust outpatient cancer drugs payments to cancer hospitals if their costs are more than those incurred by other hospitals. (3138**)

CUTS TO HOSPITALS - Start date for the Secretary*** to reduce the Medicare annual inflation update for payments to hospital outpatient departments; reduced by 0.25% for 2011. (3401**)

PAYMENT CUTS - Start date for the Secretary*** to apply a productivity adjustment to payments for durable medical equipment suppliers, ambulance services, ambulatory surgery centers, and certain Part B providers paid through the clinical laboratory test fee schedule in order to reduce Medicare payments. (3401**)

CUTS TO PHYSICIANS - Cuts bonus payments for participating in PQRI to 1%. (3002,10327**)

PAYMENTS - Beginning of increased payments to outpatient hospitals and physician services in states with a majority of counties that have a population density of less than 6 people per square mile. (10324**)

PAYMENTS - Medicare Payment Advisory Commission must submit a report to Congress on adequacy of payments for items and services furnished by medical providers and suppliers in rural areas. (3127**)

ADVANCED IMAGING EQUIPMENT - Beginning of requirement for the Secretary*** to use a new utilization assumption rate for determining payment for advanced imaging equipment. (3135**)

CUTS TO HOME HEALTH - Start date for the Secretary*** to reduce the Medicare annual inflation update for payments for home health providers by 1% for 2011-2013. (3401**)

PAYMENT CUTS - Start date for the Secretary*** to reduce the Medicare annual inflation update for Medicare payments paid through the clinical laboratory test fee schedule by 1.75% for 2011-2015. (3401**) ~~Ⓢ~~

*Source: Center for Health Transformation at <http://www.healthtransformation.net/>. **Section # of the PPACA

*** The Secretary of the U.S. Department of Health Human Services