Improving the Continuum of Care: Progress on Selected Provisions of the Affordable Care Act One Year Post-Passage

March 23, 2011 marks the one-year anniversary of President Obama’s signing of the Patient Protection and Affordable Care Act (ACA, P.L. 111-148) into law. The ACA, as amended by the Health Care and Education Reconciliation Act of 2010, lays the foundation for wide-ranging reform of the continuum of care. Comprised of the entire range of primary, acute, rehabilitative medical and supportive services, the continuum of care is fragmented and unsustainable in its current form. Full implementation of many ACA provisions has great potential to transform and greatly improve the continuum of care for older Americans today and in the future.

This Fact Sheet describes selected ACA provisions that seek to improve the continuum of care as well as implementation progress made by the Obama Administration in this first year post-passage. Title and section information for each provision has been included for easy reference back to the health reform law. For more detailed information on these selected provisions please see Policy Brief No. 2: A Summary of the Patient Protection and Affordable Care Act (P.L. 111-148) and Modifications by the Health Care and Education Reconciliation Act of 2010 (H.R. 4872) produced by The SCAN Foundation.¹

Since the passage of the ACA one year ago, much has been accomplished through the implementation process to improve health care and long-term services and supports in this country. However, there is still work to be done in the days and years ahead to create a more person-centered, coordinated, high quality system of care for Americans as they grow older with functional needs. The SCAN Foundation looks forward to continued efforts to help achieve this critical vision.

Bolster Supportive Services Delivered at Home and in the Community

Community Living Assistance Services and Supports (CLASS) plan (Title VIII, Sec. 8002)

• Description: Establishes the CLASS Independence Benefit Plan, a new public long-term care insurance plan for the purchase of community assistance services and supports by individuals with functional limitations.

• Status: On January 28, 2011, the Office of Community Living Assistance Services and Supports (CLASS Office) was established within the Administration on Aging. Under the leadership of the Assistant Secretary on Aging, Kathy Greenlee, the CLASS Office will oversee the administration and management of CLASS, including the setting of premiums, the development and implementation of rules for enrollment and eligibility systems, and the payment of benefit.² Aspects of the program, such as premium amounts, eligibility, criteria, and form in which the benefit will be distributed remain to be determined. The U.S. Department of Health and Human Services (HHS) solicited
nominations for the Personal Care Attendants Workforce Advisory Board, which will advise on personal care attendant workforce issues related to the CLASS plan, on June 16, 2010. HHS also solicited nominations for the CLASS Independence Advisory Council, which will advise the CLASS Office on matters related to the administration of CLASS, on November 16, 2010. Membership for these advisory bodies has not yet been announced.

Community First Choice Option (Title II, Subtitle E, Sec. 2401)
- **Description:** Establishes a Medicaid state plan option to provide a community-based attendant services and supports benefit to institutionalized individuals who meet the eligibility criteria. It provides a six percentage point increase in federal matching assistance payment (FMAP) to states choosing this option.
- **Status:** A notice for proposed rule-making for the Community First Choice program was included in the Federal Register and made available for public comment on February 25, 2011. The Centers for Medicare and Medicaid Services (CMS) is required to issue a final rule and launch the option for participation by October 1, 2011.

Medicaid Home- and Community-Based Services State Plan Option (Title II, Subtitle E, Sec. 2402)
- **Description:** Amends Section 1915(i) of the Social Security Act to give states the option to provide more types of home- and community-based services (HCBS) through a state plan amendment (rather than through waivers) to individuals with higher levels of need.
- **Status:** The changes to the 1915(i) state plan option became effective October 2010.

Money Follows the Person Rebalancing Demonstration (Title II, Subtitle E, Sec. 2403)
- **Description:** Extends the Money Follows the Person Rebalancing Demonstration (MFP) through September 30, 2016. Modifies eligibility rules by requiring that individuals reside in an inpatient facility for not less than 90 consecutive days.
- **Status:** On February 22, 2011, HHS announced that it awarded $45 million in new MFP grants to 13 states for the first year of the program and committed $621 million to these states through 2016. Additionally, on September 27, 2010, HHS announced that 24 states were awarded grants to strengthen the Aging and Disability Resource Center (ADRC) role in the MFP program and support state Medicaid agencies as they transition individuals from nursing homes to community-based care.

Funding to Expand State Aging and Disability Resource Centers (Title II, Subtitle E, Sec. 2405)
- **Description:** Appropriates to the Secretary of HHS $10 million for each of FYs 2010 through 2014 to carry out ADRC initiatives provided in the Older Americans Act that help people navigate the full range of services and supports available in their communities and encourage evidence-based care transition models to help older adults and people with disabilities remain in their own homes after a hospital, rehabilitation, or skilled nursing facility stay.
- **Status:** On September 27, 2010, HHS announced that it had awarded $9.9 million to 20 states to strengthen ADRC Options Counseling and Assistance Programs for community-based health and long-term care services and over $3 million in Evidence Based Care Transitions grants to 16 states.

State Balancing Incentive Payments Program (Title X, Subtitle B, Part I, Sec. 10202)
- **Description:** Creates the State Balancing Incentive Payments Program to encourage states to shift Medicaid beneficiaries out of nursing homes and into home- and community-based settings. Eligible states are those that spend less than 50 percent of total expenditures for long-term services and supports (LTSS) on HCBS. States spending less than 25 percent of total LTSS expenditures on HCBS will receive a five percentage point increase in FMAP; states spending between 25 and 50 percent of total LTSS expenditures on HCBS will receive a two percentage point increase in FMAP.
- **Status:** This is a temporary program, scheduled to operate from October 2011 through September 2015. A notice of proposed rulemaking for this provision is expected to be released in June 2011.
Improve Coordination of Health Care and Supportive Services: Building Infrastructure for Program and Policy Development

Improved Coordination and Protection for Dual Eligibles (Title II, Subtitle H, Sec. 2602)
• Description: Requires the Secretary to establish a Federal Coordinated Health Care Office (CHCO) within CMS to bring together Medicare and Medicaid officials to more effectively integrate benefits under those programs and improve the coordination between the federal and state governments for individuals eligible for benefits under both Medicare and Medicaid (dual eligibles).

• Status: CHCO was formally established on December 30, 2010.11

Medicaid and CHIP Payment and Access Commission (MACPAC) (Title II, Subtitle J, Sec. 2801)
• Description: Clarifies the topics to be reviewed by MACPAC including: Medicaid and CHIP enrollment and retention processes, coverage policies, quality of care, how interactions of policies between Medicare and Medicaid affect access to services, payments, and dually-eligible individuals, and additional reports of state specific data.

• Status: MACPAC released its inaugural report to the U.S. Congress on March 15, 2011.12

Establishment of Center for Medicare and Medicaid Innovation within the Centers for Medicare and Medicaid Services (CMS) (Title III, Subtitle A, Part 3, Sec. 3021)
• Description: Establishes within CMS a Center for Medicare & Medicaid Innovation. The purpose of the Innovation Center will be to research, develop, test, and expand innovative payment and delivery arrangements to improve the quality and reduce the cost of care provided to patients in both programs.

• Status: The Innovation Center was established on November 16, 2010. Since then, it has held several public forums and listening sessions to solicit ideas and feedback on what its research priorities should be. Additionally, it has partnered with CHCO to announce the availability of contracts for states to support the design of innovative service delivery and payment models to improve care quality, care coordination, cost-effectiveness, and overall experience of dual eligibles. The Innovation Center expects to award up to $1 million in design contracts to up to 15 states for this work.13 State submissions were due on February 2, 2011; awards have not yet been announced.

Improve Coordination of Health Care and Supportive Services: Demonstration Programs and New Delivery Models

Medicare Shared Savings Program (Title III, Subtitle A, Part 3, Sec. 3022)
• Description: Rewards Accountable Care Organizations (ACOs) that meet quality-of-care targets and reduce patient costs relative to a spending benchmark with a share of the savings they achieve for the Medicare program.

• Status: On November 17, 2010, CMS released a Request for Information in the Federal Register soliciting comments regarding certain aspects of the policies and standards that will apply to ACOs participating in the Medicare program.14 A final rule for the program is required by January 1, 2012.10

Health Homes for Enrollees with Chronic Conditions (Title II, Subtitle I, Sec. 2703)
• Description: Provides states the option of enrolling Medicaid beneficiaries with chronic conditions into a health home. Provides states taking up the option with a 90 percent FMAP for two years.

• Status: On November 16, 2010, CMS issued a letter to states providing preliminary guidance on aspects of the health home provision and its expectations for states’ successful implementation of the Medicaid health home model of service delivery.15 The health home state plan option was available to states beginning January 1, 2011.
Independence at Home Demonstration Program (Title III, Subtitle A, Part 3, Sec. 3024)

• **Description:** Creates a new demonstration program for chronically ill Medicare beneficiaries to test a payment incentive and service delivery system that utilizes physician and nurse practitioner directed home-based primary care teams aimed at reducing expenditures and improving health outcomes.

• **Status:** The Independence at Home Demonstration is currently under development. It is scheduled to begin January 1, 2012 and run for three years.\(^{16}\)

Community-Based Care Transitions Program (Title III, Subtitle A, Part 3, Sec. 3026)

• **Description:** Provides funding to hospitals and community-based entities that keep evidence-based care transition services to Medicare beneficiaries at high risk for readmission.

• **Status:** On December 3, 2010, CMS hosted a conference, bringing together community-based organizations, hospitals, Quality Improvement Organizations, Administration on Aging grantees, and other health care providers to learn more about the upcoming Community-Based Care Transitions Program.\(^{17}\)

Improve Coordination of Health Care and Supportive Services: New Benefits

Promoting Wellness

Medicare Coverage of Annual Wellness Visit (Title IV, Subtitle B, Sec. 4103)

• **Description:** Provides coverage for an annual wellness visit and personalized prevention plan services under Medicare with no co-payment or deductible.

• **Status:** Medicare beneficiaries became eligible for this benefit with no out-of-pocket costs on January 1, 2011.

Enhancing and Revitalizing the Health and Supportive Service Workforce

Demonstration Project to Address Health Professions Workforce Needs (Title V, Subtitle F, Sec. 5507)

• **Description:** Establish a demonstration program in up to six states for no less than three years through competitive grants to develop core competencies, pilot training curricula, and develop certification programs for personal and home care aides.

• **Status:** On September 27, 2010, HHS announced that the following six states were awarded a combined $4.2 million in Personal and Home Care Aide State Training Program three-year project grants: California, Iowa, Maine, Massachusetts, Michigan, and North Carolina. These grants were funded by the Health Resources and Services Administration (HRSA). These six states anticipate that they will train over 5,100 personal and home care aides by 2013.\(^{18,19}\)

Geriatric Education and Training; Career Awards; Comprehensive Geriatric Education (Title V, Subtitle D, Sec. 5305)

• **Description:** Authorizes $10.8 million for FY 2011 to FY 2014 for geriatric education centers to support training in geriatrics, chronic care management, and long-term care for faculty in health professions schools, direct care workers, and family caregivers.

• **Status:** On August 5, 2010, HRSA awarded $17.2 million in Geriatric Education Center awards to 45 academic institutions totaling $17.2 million.\(^{20}\)

State Health Workforce Development Grants (Title V, Subtitle B, Sec. 5102)

• **Description:** Establishes a competitive health care workforce development grant to enable state partnerships to complete comprehensive planning and carry out activities leading to coherent and comprehensive health care workforce development strategies at the state and local levels. Grants to states will be up to $150,000 each.
**Status:** On September 27, 2010, HHS announced the release of a total of $5.6 million in workforce planning grants, funded through HRSA. Twenty-five states were awarded one-year grants of up to $150,000 to assess their state’s current health workforce, as well as engage in activities such as gathering and analyzing data, examining current resources, policies and practices, and identifying ways to remove barriers at state and local levels. One state (Virginia) was awarded a $1.93 million two-year implementation grant to convene stakeholders at the state and regional levels to create and implement development plans that address workforce needs.¹⁹,²¹,²²

**Health Workforce Evaluation and Assessment (Title V, Subtitle B, Sec. 5101)**

**Description:** Establishes a national commission tasked with reviewing current and projected health care workforce needs.

**Status:** Nominations for the National Health Care Workforce Commission closed in June 2010 and the final 15 members were appointed by the Comptroller General on September 30, 2010.²³

**Nursing Assistant and Home Health Aide Program (Title V, Subtitle D, Sec. 5309)**

**Description:** Established a new three-year program for up to 10 community colleges and/or community-based training programs to provide support for developing, evaluating, and demonstrating of a competency-based curriculum to train nursing assistants and home health aides, with the goal of promoting career advancement of direct care workers.

**Status:** On September 30, 2010, HRSA announced that it awarded $2.4 million in Nursing Assistant and Home Health Aide Program grants to 10 colleges and community-based training programs across nine states for nursing assistants and home health aides who treat the elderly, chronically ill, and disabled.²⁴,²⁵
References


3. 75 FR 34141 (16 June 2010).

4. 75 FR 70005 (16 November 2010).

5. 76 FR 10736 (25 February 2011).


11. 75 FR 82405 (30 December 2010).


14. 75 FR 70165 (17 November 2010).


