Health Insurance Exchange Ushers in New Era

New York’s health insurance marketplace, or “exchange”—one of the linchpins of the State’s implementation of the Affordable Care Act—has become a national leader in the effort to build state marketplaces that make it easy for individuals and small businesses to shop for and enroll in affordable, quality coverage.

Almost a month before the March 31 end of the exchange’s initial open enrollment period, more than half a million New Yorkers had already signed up for coverage in qualified health plans or public programs such as Medicaid or Child Health Plus; 70 percent of these new enrollees were uninsured when they applied for coverage. Those numbers put New York State of Health, as the exchange is officially named, on track to meet or exceed its goal of 1.1 million enrollees by 2016, the State says.

It’s not just the number of insured New Yorkers that has grown, however. Spurred by the Affordable Care Act, there has been a flood of new products with varying cost-sharing options, and the entry of several brand new health plans into the market.

Those opportunities and, indeed, the shape of the new exchange have been the focus of intensive United Hospital Fund work in recent years, an extension of the Fund’s decades-long effort to shape policies that help uninsured New Yorkers gain coverage. The Fund has played an important role leading up to the creation of the exchange, highlighting essential questions and bringing experts together at critical junctures to guide discussions and decisions.

“No one lost sight of the big picture—making the exchange happen,” says Peter Newell, director of the Fund’s Health Insurance Project and author of the recent Fund report Great Expectations: New York Launches Its Affordable Care Act Marketplace, the seventh in a series of Affordable Care Act–related reports. “State officials, health plans, provider groups, consumer advocates, and others worked together to find the right balance between advancing policy initiatives and creating a marketplace that could open on time—one with real choices for consumers.”

Great Expectations points out that marketplace competition was also a crucial element in making the exchange work for individuals shopping for insurance. The exchange approved 16 qualified health plans—the most nationally—including eight incumbent health plans, four established plans serving largely Medicaid beneficiaries, and four new plans.

This competition, coupled with significant new premium and cost-sharing subsidies, new rules allowing a variety of cost-sharing options, and the...
Insurance Exchange (continued from page 1)

potential for thousands of new customers, resulted
in fulfillment of another important expectation:
decreased premium rates. In Brooklyn, Westchester,
and Nassau County, for example, individuals who
were paying a $1,000 average monthly premium, in
2013, for the lowest-cost standardized health
maintenance organization can now shop for plans
with 2014 monthly premiums of between $443 and
$516 for the lowest-cost “platinum” plan on the
exchange.

MULTIPLE CHALLENGES AHEAD

While these are all significant accomplishments, the
coming months present an array of new challenges.
Great Expectations highlights ten imminent issues,
including:

• Policy and technical challenges. What types of
metrics should the exchange establish to improve
performance and meet its goals, and how should
these measures be communicated to the public?
Will new information technology systems meet
the enormous challenges of determining subsidy
eligibility, tracking enrollment, and allocating
premium payments to health plans?

• Consumer concerns. Will individual purchasers
be satisfied with narrower provider networks?
Will they be able to manage higher levels of cost
sharing? Will the State succeed in enrolling high
numbers of eligible low-income people—who
make up a large proportion of New York’s
uninsured—in Medicaid?

• Questions for insurers, regulators, health care
providers, and public health experts. Were
premiums set at the right level initially? How can
the exchange use new tools to sustain
affordability and improve public health? Will the
Small Business Health Options Program, or
SHOP, invigorate the small-group market, in
which fewer than half of employers are now
offering insurance?

Major players are already wrestling with these
questions. That became clear at a February 7
invitational roundtable convened by the Fund,
which brought together State officials and
policymakers—including the chairs of the State
Senate and Assembly Health Committees, Senator
Kemp Hannon and Assemblyman Richard N.
Gottfried—as well as health plans and providers.

Danielle Holahan, deputy director of New York
State of Health, and Judith Arnold, director of
coverage and enrollment for the Office of Health
Insurance Programs, in the State’s Department of
Health, updated exchange enrollment figures and
reviewed a “long to-do list” of operational and
planning priorities. Consumers and providers shared
ideas on improving benefits and processes. Health
plans called for a cautious approach, noting the
many operational demands they have stepped up to
meet in this first stage of reform.

Fostering ongoing dialogue and addressing key
issues remain an important part of the Fund’s
efforts. “We are actively working with partners

Competition, subsidies, cost-sharing
options, and thousands of potential
new customers have resulted
in decreased premium rates.

throughout the state to ensure that federal reforms
translate into effective coverage here in New York,”
says Fund President Jim Tallon. “One thing’s
certain—the extraordinary collaboration that made
the exchange itself a reality will continue to be
needed to tackle myriad future hurdles.”

Support for the Great Expectations report and the
roundtable was provided by the New York
Community Trust. Over the years, the Fund’s health
insurance reports and activities have been
generously supported by the Trust, as well as the
New York State Health Foundation, Excellus Health
Plan, Inc., and Emblem Health.
Extraordinary times: two of our fundamental truths of health care economics are now being shattered. After almost 40 years, a growing number of uninsured people and endless growth in health care costs are no longer givens. At the end of this decade there will be substantially fewer Americans without insurance than there were at its beginning. And there is evidence that we are also now on track to “bend the cost curve” in that same timeframe.

That’s a profound shift in the national outlook. Now add to that the early success of New York’s health benefit exchange; federal approval of a Medicaid waiver that will bring back, for reinvestment in the state’s health system, a substantial portion of the savings derived from recent years’ discipline; and a Health Innovation Plan targeting access, integration of services, population health, value-based payment, and consumer involvement, all built on a changing workforce, better information technology, and sophisticated performance measures.

Together, these herald an enormous redirection of the health care system, bringing new expectations that require new ways of working to meet them.

THE NEW HEALTH CARE PARTNER
Providers and payers have had a voice in shaping these changes, and a close watch on their development. So while the challenges are formidable, these stakeholders can call on years of analysis, experimentation, and preparation to meet new demands. But what of those now at the center, in name at least, of this new health system—the individual, whether viewed in health care terms as the “patient” or in economic terms as the “consumer”? What should and what do people understand about these dramatic changes, and what will they mean to them? How will their previous experiences inform their vision of what lies ahead?

For most Americans, change will be most readily felt—and the success of this new system measured—in terms of three questions: What will we pay? Who will we see? What will I do about my health?

Long gone is a financial system that pays for the great bulk of our health care costs. With some exceptions for low-income individuals, each of us will be reaching deeper into our pockets. We are learning new terms, such as actuarial value—how much of my costs are covered?—and about the reciprocal relationship between premiums and out-of-pocket costs, and the tradeoff between lower costs and limitations on the choice of available providers. We’re learning and participating in a new health care economy.

How we get care is changing as well. Our usual physician visits will increasingly involve an expanded health care team—nurses, nutritionists, pharmacists, and more. Those providers are likely to be part of a broader organization based on a set of relationships among hospitals, doctors, long-term care organizations, even insurers. And while these new organizations will be working to ensure safe, effective, coordinated care—measuring performance against discrete, objective standards—we need to understand that, by sharing in the financial risks, they also have strong incentives to reduce our use of costly services.

Finally, increasingly sophisticated health information technology will not only enable better coordination of care but also change how we interact with the health system—and the responsibilities placed on us. “Patient engagement” is a now-ubiquitous phrase, but what does it really mean to us? If we receive a continuous stream of information on our health status—through in-home monitoring, perhaps even through miniaturized wearable or implantable devices—what are we to make of that? Will that bolster our judgment and independence—or diminish it?

GETTING TO BUY-IN
These are tough questions to grapple with, but essential ones if the promise of better access, better outcomes, and lower costs is to be fulfilled. Those of us working day in and day out with these issues have to remember how profoundly different things will be for those who approach the system not as insiders but as people in need of competent, compassionate, affordable care. An individual understanding of new roles and processes may well lag behind the success of other measures of change. But in the end, personal experiences may largely determine whether we are creating a long-term transformation, or simply setting up the next stage of endless conflict.
Prescribing Vital Services Along with Medicine

As a Harvard undergraduate in the mid-1990s, Rebecca Onie observed the impact of poverty on health status when she volunteered to assist low-income families struggling with housing problems. “Ultimately, prescribing antibiotics does little for a child who is going to bed hungry and living in a cold, mold-infested apartment,” says Ms. Onie.

Moved by that experience, in her sophomore year she joined forces with a Boston Medical Center pediatrician to co-found Project HEALTH. Its vision: doctors assessing need and “prescribing”—as they do medication—food, heating, housing, employment assistance, and other essentials to health and well-being, paired with trained college student volunteers connecting patients to the resources that could “fill” those prescriptions.

**EXPANDING VISION**

Project HEALTH took root in Boston and, shortly after, Providence. In the early 2000s, two United Hospital Fund grants helped bring a variation of it—also using college volunteers, but focusing on pediatric patients’ specific health conditions—to New York’s Harlem Hospital. As it evolved into the current model, Bellevue Hospital Center, Woodhull Medical and Mental Health Center, NewYork-Presbyterian’s Washington Heights Family Health Center, and Nassau University Medical Center also adopted the program, which in 2010 was renamed Health Leads.

At each of those sites, the students staff “help desks,” working with patients to track down resources—phone numbers, maps, transportation options—and helping them navigate food stamps and other programs, communicate with landlords, access GED and jobs programs, and more. The volunteers follow up with patients by phone, email, or during clinic visits, staying involved until the problems are resolved.

A Fund grant in 2010 helped the four New York City providers improve physician referral rates, develop an online and expanded resource database, add cultural competency training for volunteers, and diversify the volunteer base by adding CUNY to existing university partners Columbia and NYU. An additional Fund grant in 2013 is implementing systematic screening and referral processes to ensure that all patients who need assistance are referred to the help desks.

With support from a range of national foundations and corporations, Health Leads now operates 23 resource desks in six cities, and has 14 university partners; in 2013, it served over 11,000 patients and their families. First Lady Michelle Obama has praised the program as “exactly the kind of social innovation and entrepreneurship we should be encouraging all across this country.”

“Health Leads is a great example of how early, relatively small grants from the Fund can help a pioneering project grow, build momentum—and ultimately help transform the way our health care system helps the neediest families,” says Deborah Halper, vice president for education and program initiatives at the Fund.

**IN SYNC WITH HEALTH REFORM**

With its emphasis on population health, Health Leads is in tune with the goals of national health care reform, and poised for further growth. For example, for health care providers to achieve the highest level of certification—and reimbursement—as a “patient-centered medical home” they must demonstrate that they are connecting patients to available community resources. Health Leads provides an effective and low-cost way of doing just that.

The program empowers health care professionals to ask patients about the nonmedical needs affecting their health, by providing the resources to address those needs so clinicians can concentrate on care.

Health Leads is also a training ground for future health care leaders. In 2012, 90 percent of graduating volunteers entered jobs or graduate study in the fields of health or poverty, with 88 percent reporting that Health Leads had a “high” or “very high” impact on their plans. Today, nearly 4,400 Health Leads alumni work in health or community-related roles, “forming a powerful network for redefining health care in our country,” says Ms. Onie.
**TREND WATCH**

**Fund Charts Challenges to Patient-Centered Medical Homes**

That patient-centered medical homes tremendously increase the value of primary care is becoming common wisdom. Their resulting rapid growth in New York, between 2011 and 2012, as a key element of health care reform, has been consistently documented by the Fund’s Innovation Strategies Initiative. Recently, though, that growth has significantly slowed, a new Fund report finds.

The patient-centered medical home, or PCMH, emphasizes team-based, coordinated primary and preventive care. Its use of staff working in new, more effective ways, assisted by advanced information technology, has the potential to improve patient outcomes while reducing the costs of care, especially for people with chronic illness.

But converting to the new model entails considerable costs—for electronic medical record systems and the staff to use them, and for hiring and training staff in care management and patient education and engagement. And that is one factor slowing the model’s growth, says Gregory Burke, the Fund’s director of innovation strategies. "It’s not necessarily that PCMHs are becoming less attractive to innovators; it’s just that a lot of the low-hanging fruit has already been picked.”

New York still leads the nation in the number of practices certified as patient-centered medical homes. But “a lot of the practices in the first growth spurts—hospitals, health centers, large group practices—already had the infrastructures in place to make that change,” says Mr. Burke. “The ones that haven’t done so yet are likely to be small and mid-size practices.”

“Achieving broad, consistent payer support—changing the way payers buy primary care—is the other big challenge,” says Mr. Burke. “This next year will be critical, as the State begins to implement its plan to greatly expand the adoption of medical homes, working with payers to assure changes that will support this new model of care.”

Fund efforts in this area are being supported by grants from the New York State Health Foundation, New York Community Trust, EmblemHealth, Greater New York Hospital Association, and TD Charitable Foundation.

**Hospitals, Nursing Homes Partner to Reduce Readmissions**

Reducing hospital readmissions, especially from nursing homes, by improving discharge planning and coordinating care, is moving another step forward with the launch of the latest United Hospital Fund/Greater New York Hospital Association quality improvement effort, the IMPACT to Reduce Readmissions Collaborative. IMPACT—an acronym for Improve Processes and Care Transitions—focuses on making transitions from hospital inpatient unit to nursing home and from nursing home to hospital emergency department safer and more effective. Care transitions pose special hazards—including increased risk of medication errors—that can worsen vulnerable patients’ conditions and lead to preventable rehospitalizations.

The initiative partners each of 19 hospitals with one or more of 35 participating nursing homes, to help strengthen relationships between them, identify and bridge communication gaps, and embed new processes for sharing critical patient information among providers and with patients and family caregivers.

The new collaborative also draws on resources from two ongoing initiatives: INTERACT NY, an education and training program focused on advanced care planning prior to hospital discharge, and the Fund’s own Next Step in Care campaign (www.nextstepincare.org), which helps health care providers systematically engage patients and family caregivers in discharge planning and care transitions, and provides caregivers with information and support to navigate the complexities of those transitions and home care.
Fellowship Program Advances Quality Leadership

A two-day retreat in January kicked off the sixth cycle of the United Hospital Fund/Greater New York Hospital Association Clinical Quality Fellowship Program, an intensive 15-month immersion in classes, webinars, mentoring, and teamwork that is preparing a new generation of quality improvement experts.

The new class’s 16 doctors and 4 nurses—each of whom will develop and lead a quality improvement “capstone” project at his or her home hospital—represent a range of clinical specialties, including pediatric critical care, psychiatry, radiology, and urology, as well as nursing education and quality improvement. On completing the program they will bring the number of alumni Fellows to more than 100, many of whom have been rapidly advanced into quality and patient safety leadership positions as a result of this training.

The new Fellows are, by affiliation:

Brookdale University Hospital and Medical Center
Francescne Oulds, MD
Gabriella Azzarone, MD

Children's Hospital at Montefiore
Winston Ramkissoon, MS, MPH, RN, CEN

Jacobi Medical Center (NYCHHC)
Vishnu Oruganti, MD; Ingrid Richardson, MD

Kings County Hospital Center (NYCHHC)
Kaedrea Jackson, MD, MPH

Lenox Hill Hospital/North Shore-LIJ

Health System
Charles Luther, MD

Lutheran HealthCare
Elaine Meyerson, MA, RN; Alfredo Rabines, DO

Mount Sinai Health System
Jonathan Arend, MD; Bradley Shy, MD

NewYork-Presbyterian, Columbia University Medical Center
Vimla Aggarwal, MBBS, FACMG

NewYork-Presbyterian, Morgan Stanley Children's Hospital
Jennifer Crotty, RN, MA, CPNP

North Central Bronx Hospital (NYCHHC)
Calvin Hwang, MD, MPH

North Shore-LIJ Health System
Linda Kurian, MD

NYU Langone Medical Center
Danny Kim, MD, MSE; Adam Szerencsy, DO

SUNY Downstate Medical Center
Melvyn Braiman, MD, FAAP; Marie-Laure Romney, MD

Winthrop University Hospital
Margaret Celenza, MSN, RNC-OB, C-EFM

Redesigning Health Care Services

**ARTHUR ASHE INSTITUTE FOR URBAN HEALTH ($45,000)**

To lay the groundwork for a plan to use social media to increase health care access, reduce chronic disease risks, and enhance health knowledge among minority/immigrant communities in Brooklyn, by researching those populations’ patterns of social media usage and attitudes toward digital health information.

**DAY OF TRANSITION Initiative, Year Two**

**Metropolitan Hospital Center ($50,000)**

**Mount Sinai Medical Center ($50,000)**

To improve the transition process from hospital to home care for patients and family caregivers by addressing their needs for information, education, and support. Metropolitan and its home care partner, Health & Home Care, are testing ways to improve the exchange of information, including the post-discharge medication regimen, and identification and assessment of family caregivers. Mount Sinai and its partner, Visiting Nurse Service of New York, are working to improve medication reconciliation and education, and to have social workers follow patients more closely.

**THE NEW YORK CITY AIDS FUND ($50,000)**

To help 20 HIV/AIDS service organizations adjust to significant Federally and State-mandated changes in how services are delivered and paid for, by providing intensive education and technical assistance and helping build new skills and infrastructure.

**TOGETHER ON DIABETES – NYC ISABELLA GERIATRIC CENTER ($125,000)**

To support Isabella's continuing role as the initiative’s program anchor, fielding a diabetes educator and community outreach/development coordinator, to help seniors better manage their disease and reduce inpatient and emergency department utilization.
Diabetes Strategy Yielding Improved Senior Health

Together on Diabetes—NYC—the community partnership developed by the Fund to help seniors manage their diabetes and reduce emergency department visits and hospitalizations—is making a real difference, new data are showing. The seniors are feeling better, doing more to manage their illness, and are more confident about their ability to manage their diabetes.

Since its formal launch little more than a year and a half ago, the initiative—which links social service and other neighborhood resources with local health care providers, and is seen as a promising model for improving the health of other groups with chronic diseases—has enrolled more than 1,425 Washington Heights seniors diagnosed with diabetes.

The early results, based on the first 263 seniors to be reassessed since their initial evaluations, are very encouraging, says Fredda Vladeck, director of the Fund’s Aging in Place initiative. “Seniors are not just increasing critical activities like checking blood sugar levels daily. They’re also feeling empowered to ask their doctors about their care, and taking a more active role in it.”

Longer-term, what will be more telling will be the initiative’s impact on diabetes-related emergency department use and hospital admissions, notes Ms. Vladeck. Analysis of those patterns, and how they’re changing, is underway.

Funded by a three-year, $2.8 million grant from the Bristol-Myers Squibb Foundation, Together on Diabetes—NYC brings together a broad range of partners, including community “anchor” Isabella Geriatric Center, NewYork-Presbyterian Hospital, four senior centers, home care agencies, and community physicians, as well as New York City’s Department of Health and Mental Hygiene and Department for the Aging. The initiative’s services for enrolled seniors include diabetes education, exercise, cooking and nutrition classes, individual coaching, support groups, and podiatric screenings.

Fund Honors Volunteers and Auxilians

The dedication and accomplishments of 91 extraordinary New Yorkers were celebrated at the Fund’s 21st annual Hospital Auxilian and Volunteer Achievement Awards ceremony on March 14. The honorees were nominated by 57 hospitals and hospital divisions from throughout New York City and nearby Long Island.

“Like the best of New York itself, today’s honorees are a diverse group united by their desire—and efforts—to make a positive difference in the lives of those in distress or need,” Fund President Jim Tallon told the more than 700 guests gathered at the Waldorf-Astoria.

Helping Mr. Tallon acknowledge each of the volunteers were Fund board member Susana R. Morales, MD, and special guest Lonnie Quinn, chief weathercaster of CBS 2 News. The honorees, they noted, range in age from their 20s up through their 80s. Their stories are just as varied. One volunteer transformed a hospital’s blood donation program, increasing the number and frequency of donations. Another works with patients in a chemical dependency program—a program the volunteer graduated from, in a real-life success story. A husband and wife, working as a team, make weekly phone calls to numerous homebound and lonely older adults.

“These very special men and women—like many thousands more throughout our city—bear out the Fund’s own long-held belief in the vital role volunteers play in our health care system,” Mr. Tallon concluded.
ON THE CALENDAR

MAY 12
The annual Tribute to Hospital Trustees luncheon and awards ceremony. The Waldorf-Astoria

JULY 15
The Fund’s annual Medicaid conference, with keynote by Jason Helgerson, New York State Medicaid director and deputy commissioner of the Office of Health Insurance Programs. CUNY Graduate School and University Center

OCTOBER 6
United Hospital Fund Gala, presenting the Health Care Leadership and Distinguished Community Service Awards, and a special tribute. The Waldorf-Astoria

OFF THE PRESS

Great Expectations: New York Launches Its Affordable Care Act Marketplace identifies ten issues to watch as the new health benefit exchange continues to enroll eligible New Yorkers.

Employed Family Caregivers Providing Complex Chronic Care is the first report to document that, even with full- or part-time jobs, employed family caregivers take on the same level of responsibility for nursing- and medical-level caregiving tasks as their nonworking counterparts.

Patient-Centered Medical Homes in New York: Updated Status and Trends as of July 2013, a chartbook, and Advancing Patient-Centered Medical Homes in New York, an issue brief, examine the spread of this new practice model by region, practice type, and level of accreditation, and what’s needed to continue its expansion.

These Fund reports are available online at www.uhfny.org.

ON THE WEB

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