

# Legislative Summary:

## Patient Protection and Affordable Care Act

### *(House of Representatives)*

March 22, 2010

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The Patient Protection and Affordable Care Act (H.R. 3590), passed on March 21, 2010 by the House of Representatives, paves the way for pharmacists to demonstrate their value by expanding patient access to pharmacists' services in hospitals and health systems. Provisions in this bill will help more patients receive pharmacists' medication therapy management services, promote integrated care around hospitalizations, address health care workforce issues, and address health care quality issues. President Obama is scheduled to sign the bill into law on March 23, 2010.

#### Health Care Delivery

The bill creates a Patient Safety Research Center that creates a program to award grants or contracts to entities that implement pharmacist-provided medication therapy management services. Pharmacists would work collaboratively with other health care providers to treat patients with chronic diseases to improve the quality of care and lower costs.

The bill creates a grant program to establish health teams that support primary care providers and to make capitated payments to providers who care for individuals with eligible chronic conditions. Pharmacists are listed as potential health team members.

The bill establishes an independence at home demonstration program to test a physician and nurse practitioner primary care-based team practice that could include pharmacists. The teams would care for high-need populations at home and coordinate patient care across treatment settings.

The bill creates a Centers for Medicare & Medicaid Services Innovation Center to test payment and service delivery models that reduce expenditures and preserve or enhance the quality of care. Selected models could include providing care coordination for chronically ill people at high risk of hospitalization through a health information technology-enabled provider network, using medication therapy management services, or creating community-based health teams to support small practice medical homes.

The bill allows states to apply for a Medicaid plan amendment to create health homes for certain patients with chronic conditions who will receive care from a designated provider, a team of health professionals working with a designated provider, or a health team. Any health professional deemed appropriate by the state could be part of the team.

#### Hospitalizations

This bill creates a hospital value-based purchasing program that would provide value-based performance payments to hospitals meeting performance standards for discharges. Each hospital would receive an annual performance score from which performance payments would be based. Performance payments would be funded through reduced hospital diagnosis-related group (DRG) payments. DRG payments will be reduced by 1% in fiscal year 2013, 1.25% in fiscal year 2014, 1.5% in fiscal year 2015, 1.75% in fiscal year 2016, and 2% in fiscal year 2017 and each following fiscal year.

The bill also establishes a hospital readmissions reduction program that would reduce hospital DRG payments for excess hospital readmissions. Hospital readmission rates will be made publicly available. Hospitals with a high rate of risk-adjusted readmissions can participate in a program to improve readmission rates through patient safety organizations.

The bill also creates a national five-year pilot program on payment bundling that would integrate a patient's care around an episode of care related to a hospitalization.

A five-year community-based care transitions program would be established to fund entities that provide improved care transition services to high-risk Medicare patients who have multiple chronic conditions or other risk factors that are associated with hospital readmission or poor transitions of care after hospitalization.

This bill creates a five-year Medicaid demonstration project on integrated care around hospitalizations. The demonstration project would provide bundled payments for Medicaid patient integrated care in up to eight states for care that includes a hospitalization and concurrent physician services provided during hospitalization.

### Health Care Quality

The bill will lead to the development of a national strategy to improve health care services delivery, patient health outcomes, and population health. The bill also establishes an interagency working group on health care quality to ensure cooperation among federal departments and agencies, avoid duplication of efforts and streamline quality reporting and compliance requirements, and assess how well public and private quality efforts are aligned.

The bill requires the Secretary of the Department of Health and Human Services (HHS), consulting with the directors of the Agency for Health Care Research and Quality and the Centers for Medicare and Medicaid Services, to identify quality measure gaps and quality measures that need improvement. Grants, contracts and intergovernmental agreements would be awarded for developing, improving, updating, or expanding quality measures. Quality information summaries will be disseminated via Web sites.

The bill will penalize providers for not reporting quality measure data for covered professional services by reducing payments by 98.5% of the payment in 2015 and 98% of the payment in 2016 and each year after.

The legislation requires hospitals to report the number of health care-associated infections that develop in the hospital. Regulations will be developed by the Centers for Disease Control and Prevention to implement this provision. Information would be publically available on the Website of the Department of Health and Human Services. The HHS Secretary will provide an annual report to Congress that summarizes the information. The Government Accountability Office will analyze the appropriateness of the information collected and compliance with the requirement.

The bill will allow Medicare to cover preventative services which would cover screening and preventative services, a preventative physical exam, and personalized prevention plan services.

By January 1, 2012, the bill would require HHS to develop a plan to integrate quality measures reporting and reporting requirements for meaningful use of electronic health records.

The bill also creates a Medicare shared savings program that would allow groups of service providers manage and coordinate care for Medicare fee-for-service patients through an accountable care organization (ACO). ACOs would be responsible for the quality and cost of care patients receive.

## Workforce

The bill creates a National Health Care Workforce Commission to determine whether demands for health care workers, including pharmacists, are being met; identify and recommend ways to address barriers to federal, state, and local coordination; and encourage innovations. The bill creates the National Center for Health Workforce Analysis that, working with the National Health Care Workforce Commission, would award grants or enter into contracts to develop information describing and analyzing the health care workforce and workforce-related issues. The center also would develop and publish performance measures and benchmarks for workforce programs that would be created under the bill.

The bill creates a health care workforce development grant program to enable state partnerships to develop comprehensive health care workforce development strategies at the state and local levels.

The bill creates an allied health workforce recruitment and retention program for allied health professionals, such as certified pharmacy technicians, working in a federal, state, local, or tribal health agency; or working in health professional shortage areas, medically underserved areas, or medically underserved populations.

The bill will make grants or award contracts to an eligible entity to award scholarships for mid-career professionals in the public health or allied health workforce to receive additional training in those areas.

The bill also will award grants or contracts to entities that operate a geriatric education center. These centers would award fellowships in geriatrics, chronic care management, and long-term care for faculty training in schools with programs in pharmacy, as well as programs for other health professions.

The bill will award grants for the creation of health care workforce education programs or to continue with comparable programs. Grants also will be awarded to maintain and improve existing health education center programs. Health education centers could award grants for interdisciplinary training activities that include pharmacists.

## Next Steps for ASHP

ASHP's efforts will now focus on implementation of the delivery reforms through work with the various federal agencies that will be responsible for developing the regulations to implement the law. The Society will spend considerable time in 2010 working with members of Congress to encourage them to sufficiently fund the programs included in the law, nominating pharmacists to serve on the newly-created Health Care Workforce Commission, and continuing efforts to expand funding for post-graduate pharmacy residency training.

Once President Obama signs health care reform into law, hospital and health-system pharmacists must be prepared to lead implementation efforts on the numerous medication-use related aspects of the law. ASHP will continue to provide tools, information, education and other resources to help its members be successful in these efforts.

Watch [ASHP's Web site](#) for updates on the Society's work with Congress and regulatory agencies as well as opportunities for practitioners to get involved in grassroots advocacy.