



Executive Summary

White Paper on the Patient Protection and Affordable Care Act & Its Implications for Florida Philanthropy

University of Florida

*Commissioned by
Florida
Philanthropic
Network & Its
Health Funders
Group*

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Florida Philanthropic Network is pleased to present this “White Paper on the Patient Protection and Affordable Care Act & Its Implications for Florida Philanthropy.” The paper is intended to provide an independent, nonpartisan overview of the Patient Protection and Affordable Care Act (ACA), to discuss key implications for ACA implementation in Florida, and to identify possible roles for Florida philanthropy to play in the ACA’s implementation in the state.

FPN commissioned Dr. R. Paul Duncan at the University of Florida to lead the development of this paper. A nationally prominent health services researcher, Dr. Duncan currently serves as Director of the Florida Center for Medicaid and the Uninsured, and is Professor and Chair of the Department of Health Services Research, Management and Policy in the College of Public Health and Health Professions. He wrote this paper with his colleagues Allyson G. Hall, PhD and Lilliana L. Bell, MHA. We thank them for their excellent work and their dedication to this project.

FPN led this project on behalf of our Health Funders Group (HFG), which is comprised of FPN members who share an interest in supporting health issues, organizations, and needs in Florida. We would like to thank past HFG Co-Chairs Kerry Diaz of the Quantum Foundation and Jane Soltis of the Eckerd Family Foundation for their leadership of the HFG during the development of the paper. We’d also like to thank the Quantum Foundation for providing financial support for this project.

This paper demonstrates how philanthropy can play a vital role as an independent provider of research and knowledge to inform important policy issues for our state. It also demonstrates Florida Philanthropic Network’s ongoing commitment to promote philanthropy, foster collaboration and advance public policy to improve the quality of life for all Floridians.

Sincerely



David Biemesderfer
President & CEO



About Florida Philanthropic Network

Florida Philanthropic Network is a statewide association of more than 100 grantmakers working to build philanthropy to build a better Florida. FPN's members in Florida hold over \$6.5 billion in assets and invest over \$430 million annually to improve the quality of life for our citizens. Our members share a commitment to promoting philanthropy, fostering collaboration and advancing public policy *by Florida, in Florida*.

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On March 23, 2010, President Barack Obama signed the Patient Protection and Affordable Care Act (ACA) into law. Whether viewed positively or negatively, the law is commonly seen as the signature domestic policy initiative of President Obama's first term in office. The law and its immediate consequences are likely to touch the lives of virtually every American. This paper describes and identifies key elements of the law and provides consideration of the potential role that might be played by philanthropy in the complex set of processes by which the law is being implemented.

For purposes of this paper, we identify eight areas of the law that have captured considerable attention and discussion (Table 1). Many of these are closely tied to the ACA's emphasis on the central policy objective of dramatically reducing the number of Americans who are without health insurance.

Table 1: Key Elements of the Affordable Care Act

Key Elements of the Affordable Care Act	Description
The individual mandate	Requirement that most Americans carry health insurance with "minimum essential coverage" or potentially face a penalty for noncompliance.
The role and obligations of employers	No formal mandate. However, companies with more than 50 employees will be assessed \$2,000 per employee (excluding the first 30 employees) if health insurance is not provided or at least one employee obtains premium credits through the Exchange.
Medicaid expansion	States have the option to expand their Medicaid programs to include individuals up to 138% of the federal poverty level. The federal government provides 100% of the costs for the expansion for populations through 2016; this declines incrementally to 90% in 2020 and subsequent years. At this point, it is unclear whether Florida will expand Medicaid eligibility.
The Exchanges	States and the federal government will establish marketplaces where individuals and small businesses can purchase insurance.
New rules for insurance companies	New regulations will limit the ability of insurance companies to deny coverage for any reason, including health status, or for charging more based on health status or gender.
New approaches to health-care delivery	Recognizes the importance of cost and quality to health-care delivery and emphasizes new approaches in the form of public health initiatives, information technology advancements, and more. For example, Accountable Care Organizations are groups of doctors, hospitals, and other providers who provide coordinated care to Medicare patients.

Key Elements of the Affordable Care Act	Description
Capacity and systems issues	Addresses the need for more providers by increasing the number of primary care physician programs, increasing the number of loan repayment programs for primary care providers, and increasing and incentivizing the use of primary care non-physician practitioners like physician assistants and nurse practitioners.
Costs and sources of funding	Will cost about \$1.3 trillion over 10 years and will be funded through slight increases in already established taxes as well as new taxes and fees.

(The Henry J. Kaiser Family Foundation, 2012)

There are opportunities for philanthropic organizations, including foundations, to play important roles in the developing implementation processes associated with the ACA. In fact, there is every reason to anticipate that implementation will include subtleties and unexpected twists and turns, with great variation from one community to the next and from state to state. Foundations, especially those with strong community ties, are likely to be a key resource. Foundation-supported projects could include: (1) educating the general public, policymakers, and other key stakeholders on the provisions of the law and regulatory and implementation activities as they unfold; (2) programmatic interventions and direct service activities relevant to aspects of the law, including patient education, navigating changing elements of health insurance and health care, and obtaining benefits; and (3) needs assessments and evaluations of specific elements of the law.

Educating the General Public and Key Stakeholders. The health-care reform law is complex and will profoundly impact health-care delivery in this country. Yet the public, including policymakers and the key stakeholders, lack knowledge about specific reform elements and their potential impacts. Philanthropic activities in Florida could focus on engaging in educational activities.

Programmatic Interventions. Local/regional philanthropic organizations could work towards developing programs and interventions that complement and support the implementation of the ACA. One example is the need for navigational support to help consumers obtain the services they need (e.g., selection of health plans under the Exchanges, or Medicare Part D plans).

Needs Assessments and Evaluations. If implemented as envisioned, the ACA will improve financial access to health care, mental health, and long-term care services. The impact of this legislation on existing delivery infrastructure is unclear. To facilitate planning and redesign of the delivery system, a critical assessment of the health, mental health, and long-term care workforce and access points is warranted. Local/regional philanthropic organizations could focus on conducting such assessments and disseminating the findings to appropriate partners and stakeholders.