
MEMORANDUM

TO: ATTORNEY GENERAL WILLIAM SCHNEIDER

FROM: MAINE MEDICAL ASSOCIATION
JO LINDER, MD, PRESIDENT
GORDON SMITH, JD, EXECUTIVE VICE PRESIDENT
ANDREW MACLEAN, JD, DEPUTY EXECUTIVE VICE PRESIDENT
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SUBJECT: BENEFITS AND OPPORTUNITIES FOR MAINE UNDER THE ACA

DATE: 1/12/2011

On behalf of our 3,500 physician members we write to highlight the major benefits and opportunities for Maine citizens and health care professionals under federal health care reform (the “ACA” or the *Patient Protection & Affordable Care Act*, H.R. 3590, and the *Health Care and Education Reconciliation Act of 2010*, H.R. 4872). While Maine physicians recognize that not all aspects of the ACA are perfect, given the far reaching benefits provided under the law, we believe that it is critical that the state of Maine continue to move forward with implementation rather than spending time and money focusing on repeal. Many of these benefits are explained further in the comprehensive report prepared by the Advisory Committee on Health System Development entitled *Options and Opportunities for Implementing the Affordable Care Act in Maine* (December 2010).

Benefits for Maine Citizens

A central goal of the ACA was to expand and improve health insurance coverage. The ACA will accomplish this through a number of steps, implemented over time, including:

- Expanding health insurance coverage to 32 million more Americans by 2019 through both expanded Medicaid (MaineCare) eligibility and making private health insurance more affordable through state health insurance exchanges and sliding-scale premium tax credits and cost-sharing subsidies. Some coverage has already been expanded – as of 2010, adult children can remain on their parents’ health insurance policy until age 26 regardless of marital status, employment or where they live.
- Creating strong consumer protections and administrative simplification provisions for the health insurance industry, such as developing a uniform explanation of coverage document and specifying minimum amounts that plans must utilize for medical expenses rather than administrative costs.
- Preventing denials of care and coverage, including for those with pre-existing conditions. Already in 2010, private individual and group health plans were barred from placing lifetime limits on the dollar value of coverage, excluding children with pre-existing conditions or imposing lifetime benefit caps for children.

- Expanding and improving coverage of preventive services in the public and private sectors, including the elimination of cost-sharing, and providing grants for small employer wellness programs. Cost-sharing for proven preventive services was eliminated from Medicare and Medicaid in 2011.
- Improving the Medicare prescription drug benefits by reducing the coverage gap (“donut hole”) beginning in 2010 and fully eliminating the gap by 2020.

Benefits for Maine’s Health Care System

The ACA will improve Maine’s health care system through a multifaceted approach that reforms the health care delivery system, promotes primary and preventative care, improves health care quality and contains health care costs. Some examples of these initiatives include:

- Expanding state demonstration grants to develop, implement and evaluate alternative medical liability reform initiatives.
- Increasing Medicare and Medicaid payments for primary care providers and providing incentives for new doctors and other health professionals to practice primary care. For example, beginning in 2011, primary care and general surgery physicians will receive a 10% Medicare bonus payment and, in 2013, Medicaid payments will be increased to 100% of Medicare rates for primary care services provided by primary care physicians.
- Promoting health care quality by developing a national quality strategy, coordinating care through medical homes and other models, providing quality-based payments for health care, and promoting comparative effectiveness research to identify the most effective treatments and interventions.
- Containing costs by reforming Medicare payments and testing new, more efficient delivery system and payment models in Medicare and Medicaid, such as affordable care organizations (ACOs), bundled payments, and pay-for-performance.
- Promoting prevention and public health. A new Prevention and Public Health Trust Fund will invest \$15 billion over next five years in community and clinical prevention efforts, public health infrastructure, and research and tracking of prevention programs and health outcomes. Maine has already received more than \$44 million through ACA grants and programs, funding renovation of two community health centers, early childhood visitation programs and strengthening the public health infrastructure.

Benefits for Maine Businesses

- The ACA provides immediate help to small businesses and small tax-exempt organizations, including many health care practices, to afford the cost of health insurance for their employees. These tax credits became available in tax year 2010, whether or not an employer has previously offered coverage. HHS estimates that 22,000 businesses in Maine are potentially eligible based on employer size.