

In the Spotlight: Health Care Reform and Prevention

Most people are familiar with Benjamin Franklin's old adage that "an ounce of prevention is worth a pound of cure." At BCBSNC, we couldn't agree more – which is why we were the first health insurer in the nation to cover physician office visits and diagnostic tests to treat obesity as a primary condition. It's also why we've been an industry leader in offering co-payment waivers for generic drugs, by providing free nutritionist visits, by rewarding North Carolinians for routine physical activity and more. Though prevention is a popular buzz word today, like many things, the devil is in the details.

Breaking News: Prevention is free! Right?

Building on its 2010 recommendations to cover preventive services like mammograms and colonoscopies at no cost-share, the Institute of Medicine (IOM) recently released its recommendation of preventive health services for women that should be fully covered. The US Department of Health and Human Services (HHS) [accepted the recommendation in full](#) with one caveat (to allow religious institutions who offer health insurance to choose not to cover birth control after opposition from several religious groups). The IOM was more comprehensive than many experts expected and recommended covering a wide range of preventive services including:

- FDA-approved contraceptive methods;
- screening for gestational diabetes;
- counseling for sexually transmitted infections;
- counseling and screening for HIV;
- lactation counseling and equipment to promote breast-feeding;
- screening and counseling to detect and prevent interpersonal and domestic violence; and
- annual well-woman preventive care visits to obtain recommended preventive services.

For renewals on or after August 1, 2012, all new health plans will be mandated to cover the preventive services specified above with no cost-share. (For individual plans this begins on or after January 1, 2013.) [Insurers](#) are supportive of covering services that are proven to work, but these recommendations "broaden the scope of mandated preventive services beyond existing evidence-based guidelines".ⁱ

Importantly, the added benefits won't come free. As with any insurance policy, more generous benefits cost more to provide and therefore lead to increased premiums. BCBSA preliminary estimates show that these would add nearly 2 percent to the total cost of employer and consumer premiums which is on top of the cost of the other near-term ACA requirements.ⁱⁱ

How ACA Changes Prevention

Potentially costly IOM recommendations aside, the Affordable Care Act (ACA) boasts many preventive accomplishments; some provisions have already been implemented. As described above, preventive care and medical screenings are covered in-network at 100%, with no cost sharing. Many other preventative measures that have been implemented since the ACA became law are increasing access to care. For example, dependents can now stay on their parents' health insurance plan up to age 26, children under the age of 19 are no longer subject to pre-existing waiting periods and cannot be denied coverage, and the

Medicare drug [coverage gap](#) – commonly known as its “doughnut hole” is being gradually narrowed and will no longer exist after 2020.

In June of 2011, the [National Prevention Council](#) released the nation’s first National Prevention Strategy. Over the course of 10 years, an additional \$15 billion in new spending is authorized for public health initiatives, which demonstrate [measurable increases](#) in health, especially in low-income areas. Spending will be directed primarily towards anti-tobacco efforts, programs improving nutrition and increasing physical activity, as well as community-based programs to combat heart-disease, diabetes, and cancer. Emphasizing prevention for children, the ACA will increase access to clinical preventive services through school-based health clinics and oral health prevention. Other ACA activities that are aimed at promoting prevention include creating a task force to make recommendations to Congress that bridge gaps in research, supporting workplace wellness programs, improving access to immunizations to adults and children and requiring restaurants to provide nutritional information.

Prevention in Medicare and Medicaid

Many ACA provisions related to Medicare are focused on prevention. Starting January 2011, the ACA directs [most Medicare beneficiaries](#) to receive preventive services at no cost-share, including an annual wellness visit and personalized prevention plan. [Accountable care organizations](#), whereby doctors are incentivized to keep patients healthy, and financial incentives to prevent hospital readmissions could also be a step in the right direction.

Similar shifts toward prevention are evident in [Medicaid](#). Beginning 2014, the ACA will dramatically expand the program to include childless adults who are categorically ineligible under current rules, and will increase eligibility up to 138% of the federal poverty line. ⁱⁱⁱ This expansion will lead millions of new Medicaid beneficiaries towards increased access to preventive programs like tobacco cessation classes for pregnant women, obesity screening, and more.

BCBSNC Views

Blue Cross and Blue Shield of North Carolina has a long and well-documented history as an industry leader in supporting prevention. As the many benefit changes outlined by the ACA are implemented, cost implications must be given equal consideration. Of particular importance will be the ACA-mandated [essential health benefits](#) coverage recommendation which is expected later this year.

Recommendations should account for the role of innovation and the advancement of medical and scientific knowledge in providing new treatment options. Coverage should be inclusive, but also flexible and affordable. After all, an ounce of prevention doesn’t come cheap these days.

For More Information:

Healthcare.gov on Prevention and North Carolina: <http://www.healthcare.gov/news/factsheets/prevention/states/nc.html>

National Prevention Strategy: <http://www.healthcare.gov/center/councils/nphpphc/strategy/report.pdf>

The ACA and Women’s Prevention: <http://www.healthcare.gov/news/factsheets/womensprevention08012011a.html>

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ⁱ *AHIP Statement on Coverage for Preventive Care*. 1 August 2011. <http://www.ahip.org/content/pressrelease.aspx?docid=34092>

ⁱⁱ BCBSA preliminary estimate from July 28, 2011 letter to HHS concerning IOM recommendations.

ⁱⁱⁱ PPACA called for expansion to 133% FPL; HCERA (the reconciliation bill) directs states to apply a 5% disregard, effectively raising eligibility to 138% FPL