

Actions to Improve Population Health Under the Patient Protection and Affordable Care Act (P.L. 111-114)

The Patient Protection and Affordable Care Act (PPACA), signed into law March 23, 2010, includes a variety of population health provisions that impact states. These include funding opportunities for state agencies to prevent chronic disease, improve immunization rates, promote the public health workforce, and enhance infectious disease surveillance. PPACA also includes new requirements for states, such as covering certain wellness benefits in Medicaid and educating Medicaid recipients about newly mandated benefits. The new law also has provisions that may indirectly impact states, such as funds for public health education and training, worksite wellness grants, and mandates for private insurers to cover federally recommended preventive services. Finally, PPACA also includes many population health related provisions for the federal level.

This document is designed to highlight the state-relevant provisions, focusing on state health departments and related state efforts to promote population health. This chart only includes the provisions that are likely to involve or impact states, either directly or indirectly, based on what is known as of the date of this publication. Further development of particular components and additional resources and guidance will be forthcoming.

The following charts highlight the variety of public health provisions in PPACA, and are organized around these issues:

- Population health grant/funding opportunities for state agencies;
- New responsibilities for state agencies;
- Funding opportunities that may indirectly impact states; and
- Requirements that may indirectly impact states.

In some instances, the law would make funding available in the current federal fiscal year 2010. However, the precise timing, funding amounts, and distribution method for many of these remain unclear at this time. While the chart includes descriptions and limitations associated with the programs, it does not reflect the entirety of the requirements, including reporting requirements, for each initiative discussed. As the Secretary of Health and Human Services (HHS) provides further guidance or clarifications, that information will be made available and the chart updated to reflect new information.

Several provisions of the PPACA authorize new programs or discretionary funding. Such provisions may authorize a specified level of funding to be appropriated for each federal fiscal year or it may be vague (providing “such sums as may be necessary”). The authorization of appropriations does not provide or guarantee funding will be provided, but rather is intended to provide guidance regarding the amount of funds appropriate to carry out the authorized program/initiative. Through a separate process, Congress will determine if and how much funding to appropriate for these discretionary agencies and programs. These decisions will be made during consideration of the fiscal year 2011 appropriations measures and in each subsequent annual appropriations process.¹

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In addition, PPACA directly provides funding for some agencies and programs, bypassing the two-step authorization-appropriation process. Such spending is referred to as direct spending.²

For more information on other state funding opportunities under PPACA, such as Medicaid expansion, small business assistance, and exchanges, please visit: <http://www.nga.org/Files/pdf/2010HEALTHREFORMFUNDING.PDF>

Additional information about the program requirements and limitations may be found at: <http://finance.senate.gov/legislation/details/?id=61f4fb98-a3d0-d85c-d33f-f2c598e1d138>³

¹ The normal appropriations process typically begins with the President’s budget proposal in early February. The House and Senate then move to adopt a budget resolution. Both chambers then consider appropriations legislation to finalize the specific funding available for the federal fiscal year beginning September 1. See: “Overview of the Authorization-Appropriation Process”, Congressional Research Services: <http://www.rules.house.gov/archives/rs20371.pdf>

² Some direct spending is entitlement program spending funded by permanent appropriations in the authorizing law. Other direct spending – referred to as appropriated entitlements – such as Medicaid, is funded in appropriations acts, but the amount appropriated is controlled by the authorizing legislation. See: “Overview of the Authorization-Appropriation Process”, Congressional Research Services: <http://www.rules.house.gov/archives/rs20371.pdf>

³ The pages referenced in the table correspond to the PDF document posted on the Senate Finance Committee website. The text of the reconciliation measure (P.L.111-152) can be found at: http://www.rules.house.gov/bills_details.aspx?NewsID=4606

Population Health Funding Opportunities for State Agencies 2010

Program/ Initiative	Description	Funding	Availability
<i>Maternal, Infant, and Early Childhood Home Visiting Programs (Page 561, Section 2951)</i>	<ul style="list-style-type: none"> • ACF and MCH to administer grants to states for home visitation programs through Title V MCH Block Grant. • States can use grants for planning or implementation. • States must submit a needs assessment by October 2010 identifying at risk communities and capacity to carry out programs. • Model programs will address prenatal, maternal, and newborn health, child development, parenting skills, school readiness, juvenile delinquency, and economic self-sufficiency. 	<ul style="list-style-type: none"> • Appropriates for fiscal year 2010, \$100 million; for fiscal year 2011, \$250 million; for fiscal year 2012, \$350 million; and \$400 million for each of fiscal years 2013 and 2014. 	<ul style="list-style-type: none"> • Appropriates funding for fiscal years 2010 through 2014.
<i>Prevention and Public Health Fund (page 1121, Section 4002)</i>	<ul style="list-style-type: none"> • Through HHS, provides for expanded and sustained national investment in prevention and public health programs to improve health and help restrain the rate of growth in private and public sector health care costs. • Funds may be transferred to the Community Transformation Grants and Immunization Coverage Improvement Program. • An interagency council that promotes healthy living must submit a report on its activities and progress by July 1, 2010. 	<ul style="list-style-type: none"> • Appropriates for fiscal year 2010, \$500 million; for fiscal year 2011, \$750 million; for fiscal year 2012, \$1 billion; for fiscal year 2013, \$1.25 billion; for fiscal year 2014, \$1.5 billion; and for fiscal year 2015, and each fiscal year thereafter, \$2 billion. 	<ul style="list-style-type: none"> • Beginning in fiscal year 2010, appropriates funding for an indefinite period.
<i>School-Based Health Centers (page 1135, Section 4101)</i>	<ul style="list-style-type: none"> • Directs the Secretary to award grants to support school-based health center operations. • Grants may be used for facilities and equipment expenditures as well as expanding and modernizing existing buildings. • Preferences for grants are for schools with high percentages of Medicaid or state child health plan eligibility. 	<ul style="list-style-type: none"> • Appropriates \$50 million for each of fiscal years 2010 through 2013. 	<ul style="list-style-type: none"> • Appropriates funding for fiscal years 2010 through 2013.
<i>Oral Healthcare Prevention Demonstration Grants (Page 1146, Section 4102)</i>	<ul style="list-style-type: none"> • CDC to award demonstration grants to state health departments and state owned hospitals to show the effectiveness of research-based dental caries disease management. • Grants will fund school-based sealant programs, oral health infrastructure, and surveillance. 	<ul style="list-style-type: none"> • Authorization for such sums as necessary. 	<ul style="list-style-type: none"> • Authorizes funding for fiscal years 2010 through 2014.
<i>Community</i>	<ul style="list-style-type: none"> • Authorizes CDC to establish competitive grant 	<ul style="list-style-type: none"> • Authorization for such sums as 	<ul style="list-style-type: none"> • Authorization of funding

<p><i>Transformation Grants (page 1182, Section 4201)</i></p>	<p>program for states and local governmental agencies and community-based organizations to promote evidence-based community preventive health activities intended to reduce chronic disease rates, address health disparities, etc.</p> <ul style="list-style-type: none"> • Activities may include actions that promote healthier school environments, active living and access to healthy foods, smoking cessation, and worksite wellness. 	<p>may be necessary.</p>	<p>fiscal years 2010 through 2014.</p>
<p><i>Healthy Aging, Living Well Public Health Grant Program (page 1188, Section 4202)</i></p>	<ul style="list-style-type: none"> • CDC to award grants to states or local health departments and Indian tribes for pilot programs to provide public health community interventions, referrals, and screenings for heart disease stroke, and diabetes, for individuals between ages 55 and 64. 	<ul style="list-style-type: none"> • Authorizes such sums as necessary. 	<ul style="list-style-type: none"> • Authorization for funding for 5-year pilot programs, fiscal years 2010 through 2014
<p><i>Immunization Coverage Improvement Program (Page 1200, Section 4204)</i></p>	<ul style="list-style-type: none"> • CDC demonstration program to award grants to states to improve immunization coverage for children, adolescents, and adults. • Grants for implementing interventions recommended by the Task Force on Community Preventive Services. 	<ul style="list-style-type: none"> • Authorizes such sums as necessary. 	<ul style="list-style-type: none"> • Authorization for funding for fiscal years 2010 through 2014.
<p><i>Epidemiology Laboratory Capacity Grants (Page 1233, Section 4304)</i></p>	<ul style="list-style-type: none"> • CDC to award grants to state and local health departments to improve surveillance and response to infectious diseases. 	<ul style="list-style-type: none"> • Authorizes \$190 million for each of fiscal years 2010 through 2013 	<ul style="list-style-type: none"> • Authorizes funding for fiscal years 2010 through 2013.
<p><i>CHIP Obesity Demonstration Program (page 1242, Section 4306)</i></p>	<ul style="list-style-type: none"> • Extends funding for the childhood obesity demonstration program established under CHIPRA (P.L. 111-3). 	<ul style="list-style-type: none"> • Direct appropriation to HHS-CMS totaling \$25 million. 	<ul style="list-style-type: none"> • Fiscal years 2010 through 2014.
<p><i>State Workforce Development Grants (page 1274, Section 5102)</i></p>	<ul style="list-style-type: none"> • Health care workforce development grant program for states to develop and implement workforce strategies at the state and local level. 	<ul style="list-style-type: none"> • Planning grants: authorization for \$8 million for fiscal year 2010 and such sums as necessary thereafter. Up to \$150,000 per state partnership. • Authorization for \$150 million for fiscal year 2010 for implementation grants. 	<ul style="list-style-type: none"> • Planning grants: available starting fiscal year 2010. Grants awarded for activities for up to one year. • Planning grants require 15% match (in cash or in kind). Match source may be from other federal, state, local or private sources. • Implementation grants: grants may be used for

			<ul style="list-style-type: none"> up to 2 years. Implementation grants require 25% match (in cash or in kind). Match source may be from other federal, state, local or private sources. At least 60% of implementation grant funds must be used to make grants to address health care workforce development needs.
<i>Grants to Promote the Community Health Workforce (Page 1364, Section 5313)</i>	<ul style="list-style-type: none"> CDC to award grants to states and eligible state agencies to use community health workers to promote positive health behaviors and outcomes in medically underserved communities. 	<ul style="list-style-type: none"> Authorization for such sums as necessary. 	<ul style="list-style-type: none"> Authorizes funding for fiscal years 2010 through 2014.

2011

<i>Program/ Initiative</i>	Description	Funding	Availability
<i>Medicaid Health Home for Enrollees with Chronic Conditions: Planning Grant (page 522, Section 2703)</i>	<ul style="list-style-type: none"> Beginning January 1, 2011, there is a Medicaid state option to provide coordinated care to enrollees with chronic conditions. HHS to establish minimum standards for health homes. HHS will award planning grants to states to develop a state plan amendment. 	<ul style="list-style-type: none"> \$25 million maximum planning grant award per state. A total amount for planning grants is not specified. States will receive a 90 percent FMAP for such health home services during the first eight fiscal year quarters that the state plan amendment is in effect. 	<ul style="list-style-type: none"> HHS may make planning grants awards to states beginning January 1, 2011. Planning grant funding available until expended. NOTE: State contribution required in order to receive a planning grant.
<i>Medicaid Chronic Disease Incentive Payment Program (page 1174, Section 4108)</i>	<ul style="list-style-type: none"> The Secretary will award grants to states to test approaches that may encourage behavior modification for healthy lifestyles among Medicaid enrollees and to determine scalable solutions. HHS to conduct education/outreach campaign to make states aware of grant program. 	<ul style="list-style-type: none"> Appropriates \$100 million for the 5- year period beginning by January 1, 2011. 	<ul style="list-style-type: none"> Grants to states awarded after HHS develops program criteria, but no later than January 1, 2011. Grants to states will be for a 5- year period, beginning by January 1, 2011. State initiatives will be

			<p>carried out for at least a 3-year period.</p> <ul style="list-style-type: none"> • Amounts appropriated remain available until expended.
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2013

<i>Program/ Initiative</i>	<i>Description</i>	<i>Funding</i>	<i>Availability</i>
<i>Medicaid Preventive Services (page 1169, Section 4106)</i>	<ul style="list-style-type: none"> • Provides FMAP incentive payment to states that eliminate cost-sharing requirements for Medicaid clinical preventive services that have been recommended by the U.S. Preventive Services Task Force (USPSTF) and for vaccines for adults. 	<ul style="list-style-type: none"> • 1 percentage point increase in FMAP for the cost of preventive services and vaccines for states that eliminate cost sharing of these services. 	<ul style="list-style-type: none"> • Enhanced match available beginning January 1, 2013.

New Responsibilities and Opportunities for State Agencies

2010

<i>Program/ Initiative</i>	<i>Description</i>
<i>Medicaid Preventive and Obesity-related Services Awareness Campaign (page 1129, Section 4004)</i>	<ul style="list-style-type: none"> • HHS will provide guidance to states and health care providers on preventive and obesity-related services available to Medicaid enrollees. • States are then to design awareness campaigns to educate Medicaid enrollees about coverage of these services. • There are authorized to be appropriated such sums as may be necessary to carry out the campaign.
<i>Medicaid Coverage of Tobacco Cessation Services for Pregnant Women (page 1170, Section 4107)</i>	<ul style="list-style-type: none"> • Effective October 2010, states will be required to provide Medicaid coverage for tobacco cessation counseling and drug therapy for pregnant women without cost-sharing. • Funding amounts are not known at this time.
<i>State Authority to Purchase Recommended Vaccines for Adults Program (Page 1199, Section 4204)</i>	<ul style="list-style-type: none"> • The Secretary may negotiate and enter into contracts with manufacturers of vaccines for the purchase and delivery of vaccines for adults. • States may obtain adult vaccines through manufacturers at the applicable price negotiated by the Secretary.

2011

<i>Program/ Initiative</i>	<i>Description</i>
<i>National Strategy for Quality Improvement in Health Care (page 682, Section 3011)</i>	<ul style="list-style-type: none"> • By January 1, 2011, the Secretary will establish a national strategy to improve the delivery of health care services, patient health outcomes, and population health. • The Secretary will work with state agencies which administer Medicaid and CHIP in developing and disseminating strategies and goals consistent with national priorities. • These strategies will improve health outcomes, efficiency, and patient-centeredness of health care for all populations; 2.) identify ways to improve patient care quality and

	<p>efficiency 3.) address gaps in quality, efficiency, comparative effectiveness information, and health outcomes measures and data aggregation techniques; 4.) improve Federal payment policy to emphasize quality and efficiency; 5.) enhance the use of health care data to improve quality, efficiency, transparency, and outcomes; 6.) address the health care provided to patients with high-cost chronic diseases; 7.) improve research and dissemination of strategies and best practices to improve patient safety and reduce medical errors, preventable admissions and readmissions, and health care-associated infections; 8.) reduce health disparities across health disparity populations and geographic areas; and 9.) address other areas as determined appropriate by the Secretary.</p>
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2014

Program/ Initiative	Description
<i>Elimination of Exclusion of Coverage of Certain Drugs in Medicaid (Page 497, Section 2502)</i>	<ul style="list-style-type: none"> Starting January 1, 2014, Medicaid cannot exclude coverage of drugs that promote smoking cessation, including ones approved by the FDA for over the counter use.

Other Funding Opportunities that Affect Population Health**2010**

Program/ Initiative	Description	Funding	Availability
<i>Public Health Workforce Loan Repayment Program (page 1300, Section 776)</i>	<ul style="list-style-type: none"> Loan repayment program for public health professionals working three years in a state or local agency. Annual loan repayment of \$35,000 or 1/3 of total debt. 	<ul style="list-style-type: none"> Authorizes \$195 million for fiscal year 2010. 	<ul style="list-style-type: none"> Such sums as may be necessary are authorized for fiscal years 2011 through 2015
<i>Public Health Training for Mid-Career Professionals (page 1307, Section 5206)</i>	<ul style="list-style-type: none"> Awards to educational entities for training mid-career professionals in public health and allied health. 	<ul style="list-style-type: none"> Authorization \$60 million for fiscal year 2010. 	<ul style="list-style-type: none"> Such sums as may be necessary are authorized for fiscal years 2011 through 2015.
<i>Fellowship Training in Public Health (page 1370, Section 5314)</i>	<ul style="list-style-type: none"> The Secretary may carry out activities to address documented workforce shortages in state and local health departments in the critical areas of applied public health epidemiology and public health laboratory science and informatics and may expand the Epidemic Intelligence Service. 	<ul style="list-style-type: none"> Authorizes \$39.5 million for each of fiscal years 2010 through 2013. 	<ul style="list-style-type: none"> Authorizes funding for fiscal years 2010 through 2013.

2011

Program/ Initiative	Description	Funding	Availability
<i>Workplace Wellness Program Grants (page 2285, Section 10408)</i>	<ul style="list-style-type: none"> HHS awards grants to employers with less than 100 employees for workplace wellness programs 	<ul style="list-style-type: none"> Authorizes \$200 million for fiscal years 2011 through 2015. 	<ul style="list-style-type: none"> Authorizes funding for fiscal years 2011 through 2015.

Other Requirements that May Affect Population Health

The following are other provisions of PPACA that seek to improve the overall delivery system through payment reform, quality measures, and preventive services coverage. Payment and quality provisions included are ones that will likely impact states, either through Medicaid or state hospitals.

2010

Program/ Initiative	Description	Funding	Availability
<i>Medicaid Global Payment System Demonstration Project (page 536, Section 2705)</i>	<ul style="list-style-type: none"> The Secretary will coordinate with CMS for a demonstration project in which states adjust payments to safety net hospitals and networks from fee-for-service to a capitated payment model. Five states will be chosen to participate in the demonstration project. 	<ul style="list-style-type: none"> Authorization for such sums as necessary. 	<ul style="list-style-type: none"> Authorizes funding for fiscal years 2010 through 2012.

Program/ Initiative	Description
<i>Health Plan Coverage of Preventive Health Services (page 20, Section 2713)</i>	<ul style="list-style-type: none"> Beginning September 23, 2010, new group or individual coverage must cover and have no cost sharing for preventive services recommended by various federal guidelines.

2011

Program/ Initiative	Description
<i>Nutrition Labeling of Standard Menu Items at Chain Restaurants (page 1206, Section 4205)</i>	<ul style="list-style-type: none"> Within one year of enactment of the Patient Protection and Affordable Care Act, HHS will issue regulations requiring nutrition labeling for chain restaurants and vending machine operators with more than 20 machines. Exemptions to labeling include restaurants with fewer than 20 locations and temporary or special menu items.

2013

Program/ Initiative	Description	Funding	Availability
<i>Hospital Value Based Purchasing Program (page 613,</i>	<ul style="list-style-type: none"> The Secretary will establish a program for value-based incentive payments for hospitals that meet performance standards. 	<ul style="list-style-type: none"> The secretary will designate a certain value based percentage payment for a hospital for a 	<ul style="list-style-type: none"> Incentive payments may begin on or after October 1, 2013.

<i>Section 3001)</i>	<ul style="list-style-type: none"> • Performance measures cover acute myocardial infarction, heart failure, pneumonia, surgeries, and health care associated infectious. • State hospitals may be exempt if they submit a letter to the Secretary demonstrating performance measures exceeding those in this national program. 	fiscal year.	
<i>National Pilot Program on Payment Bundling (Page 739, Section 3023)</i>	<ul style="list-style-type: none"> • The Secretary will establish a program for integrated care during care episodes of hospitalizations to improve coordination, quality, and efficiency • The applicable conditions under this program include chronic and acute conditions 	<ul style="list-style-type: none"> • No later than January 1, 2013, conducted for five years. • Exact funding amounts are not known. 	<ul style="list-style-type: none"> • No later than January 1, 2013, conducted for five years.

2014

<i>Program/ Initiative</i>	Description
<i>Essential Health Benefits Package (page 98, Section 1302)</i>	<ul style="list-style-type: none"> • New health plans in the individual and small group markets and all health plans participating in the new insurance exchanges are required to cover preventive and wellness services, maternity and newborn care, mental health and substance use disorder services, pediatric services, and chronic disease management. • Cost-sharing for these services must be limited.