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Frequently Asked Questions on Health Care Reform

On March 21st, by a vote of 219-212, the U.S. House of Representatives approved H.R. 3590, the Patient Protection and Affordable Care Act. The Senate previously approved H.R. 3590 in December 2009. The legislation was officially signed into law on March 23rd by President Barack Obama.

However, it should be noted that the health care reform legislative process is not complete and some changes will occur through the reconciliation process. H.R. 4782, the Health Care and Education Affordability Reconciliation Act of 2010, was passed by the House of Representatives on March 21, 2010, by a vote of 220–211, but has not yet been approved by the Senate. H.R. 4782 includes several provisions intended to resolve differences between H.R. 3590 (the Senate version of health care reform) and H.R. 3962 (the House version) The reconciliation process allows for certain legislation to be considered under rules that limit debate to twenty hours and ending debate requires only a simple majority (51 votes in the Senate).

What Are Some of the Main Objectives of Health Care Reform Legislation?

H.R. 3590 is over 2,000 pages long and calls for:

- The reduction of the number of Americans without health insurance
    - H.R. 3590 authors project that 94% of the U.S. population will have health coverage (H.R. 3590 does not include a public insurance option)
- Reforms within the health care insurance system by eliminating pre-existing conditions, mandating coverage of certain conditions, eliminating capping out-of-pocket expenditures, creating health insurance exchanges, etc.
- Expanding Eligibility for Medicaid Programs
- Revising various Medicare Programs
- Ensuring an adequate workforce to meet current and future population needs
- Expanding health care services in medically underserved areas, including schools
- Cost reductions/Health care delivery advancements
    - information technology (IT) advancements
    - improving the quality of care using evidenced-based protocols
    - pricing transparency
    - supporting prevention and chronic care management
    - boosting public health infrastructure
    - emphasizing personal responsibility

Additionally, the legislation contains a reauthorization and amends the Indian Health Care Improvement Act (IHCIA). IHCIA amendments provide a host of improvements to the Indian health system and the Cherokee Nation has been supportive of the majority of advancements and improvements proposed. In addition to improvements in the manner in which various programs and services are carried out, the IHCIA amendments also greatly improve the ability of Tribes to increase health coverage opportunities, serve additional populations, and flexibility to tailor programs to fit specific needs.

How has the Cherokee Nation Been Involved in the Development of Health Care Reform Legislation?

Over the past several years, the Cherokee Nation has been actively engaged in health care reform discussions at both the state and federal level. At the state level, the Cherokee Nation has participated on the Oklahoma State Coverage Initiative (SCI) and the Oklahoma House Speaker's Task Force on Healthcare Reform. At the federal level, since October 2008 the Cherokee Nation has participated in numerous meetings and discussions with the Administration, Congress, federal agencies, and other Tribes on the objectives and outcomes of health care reform.

Under H.R. 3590, are individuals required to have health insurance?

H.R. 3590 includes language that requires individuals to maintain acceptable health coverage. Failure to comply will result in either a tax penalty and/or fines. However, H.R. 3590 contains language exempting citizens of federally recognized Tribal Nations from any penalties for failure to maintain health coverage.

What are Some Specific Provisions in H.R. 3590 that will Benefit the Cherokee Nation?

Certain Exclusions from Gross Income for Medical Care Provided – H.R. 3590 contains language that excludes the value of health services, either provided or purchased by the Indian Health Service and/or Tribes, from gross income. In recent years, questions have been raised as to whether the value of such health services should be regarded as gross income for American Indians. Legislation clarifies that such services are part of the federal government's trust responsibility to American Indians and therefore should not be subject to taxation.

Improving Interstate Coordination of Medicaid and SCHIP – The legislation also includes a directive to develop recommendations to improve coordination among states regarding care and reimbursement for American Indian children. The Cherokee Nation has long expressed the need to address interstate coordination due to the large number of out-of-state children attending Sequoyah High School, seeking treatment through the Jack Brown Center, as well as those residing in bordering states.

Core Public Health Infrastructure – An emerging concept for public health activities is the accreditation of public health entities. Health Care reform legislation creates grants for the development of core public health infrastructure programs. The Cherokee Nation has been actively involved in the development of national public health accreditation standards and was selected to participate in a beta test of the voluntary national accreditation program. The Cherokee Nation is uniquely situated to access future grants for such activities.

Grant Opportunities – H.R. 3590 contains several grant programs that include Tribal eligibility ranging in topics from maternal/child health, patient centered medical homes, quality improvement, regional emergency care systems, trauma care centers, dental, primary care residency, etc.

Additional Provisions –

- No Cost-sharing for Indians With Income at or Below 300 Percent of Poverty Enrolled in Coverage Through a State Exchange
- Reaffirms "Payer of Last Resort" status for the Indian health system.
- Facilitating Enrollment of American Indians in Medicaid and insurance exchange programs
- Including costs incurred by the Indian health system (including Tribal Nations) to provide prescription drugs toward an individual's out-of-pocket threshold under Medicare Part D
- Creation of an integrated data repository, including contract health services information, with the Centers for Medicare & Medicaid Services.