



CHIROPRACTIC (GENERAL)

## Navigating the Maze of Obamacare: What to Expect This Year and Next

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Think about the grief you are presently putting up with from insurance companies... and then double it. That's what's going to happen. But wait... there's good news, too.



Why ObamaCare?

The purpose of ObamaCare is to give people the health insurance they need, not what they want or value. A healthy person, who doesn't use or need health care can choose a catastrophic insurance policy that only pays after a huge deductible is met. Whereas, a person with a major health problem can choose a policy with a lower deductible and that provides much more coverage. Obviously, this will be a more expensive insurance plan.

### Health Insurance Exchanges

The public will choose and purchase their insurance policies through special government websites called Health Insurance Exchanges ([www.HealthCare.gov](http://www.HealthCare.gov)).

These Health Insurance Exchanges offer four different levels of insurance coverage. The following chart is provided as an example as to how the different levels compare to each other.

Type of Plan for One Individual	Monthly Premium	Deductible	Co-Pay
Platinum	\$420	\$1,000	10%
Gold	\$372	\$2,500	20%
Silver	\$323	\$4,000	30%
Bronze	\$285	\$6,250	40%

The figures on the chart will vary according to demographics, i.e., the cost of healthcare in large cities vs. small towns, etc. The co-pay percentages are accurate, but they are determined in different ways, i.e., the amount of co-payment a person pays will vary from \$0 to more than \$100 (for a specialist) but the total percent of their co-payments will be as described above.

Unfortunately, most people will choose a "Bronze" insurance plan because it's just too difficult to decipher and understand the differences between the numerous plans, therefore, they opt for the lowest cost one. Fortunately, there are experts who can quickly navigate through the plans and determine the one(s) best-suited to your needs (both health and finances) and this service is provided at absolutely no charge.

### Government Subsidies

The government will subsidize the monthly insurance premiums of people who earn less than 400 percent of the Federal poverty level. The Federal poverty level is \$11,490 for one person or \$23,500 for a family of four. (The figures for percent over the poverty levels and yearly earnings varies depending upon demographics). Only people that enroll in the "Silver" plans will be eligible for the subsidies. People who are too poor to enroll in the "Silver" or "Bronze" plans will be enrolled in Medicaid. Projections indicate there will be 15 million newly insured Medicaid participants.

### Insurance Premiums Will Go Up Substantially

Insurance rates will increase because the government has dictated the following rules that all insurance companies must follow. These rules will benefit the public, but create problems for the insurance companies and their subscribers.

Gender rating is banned. Insurance companies cannot charge women more than men, even though women utilize more health care services due to child bearing. This rule will increase premiums for men.

Maternity, pediatric and child dental care is covered regardless of the age or gender of the person purchasing the insurance. This forces insurance companies to charge more for everyone's coverage. Keeping children under 26-years-of-age on their parent's health plans. Obviously, the more people in a family that are insured, the higher the premiums will be. Insurance companies cannot deny coverage to people with pre-existing health problems. This raises premiums for those without pre-existing conditions.

Insurance companies cannot cancel the policies of people who have developed a health problem. Since insurance companies cannot drop sick people, they must raise the premiums of healthy people. Insurance companies cannot charge older people more than younger people, even though older people use more health care. This raises premiums for younger people. However, some Healthcare Insurance Exchanges are charging more for older people. This is a problem yet to be resolved.

Lifetime or annual benefits plans are disallowed. These plans place a limit on how much health care they will pay for. Since health care limits have been disallowed, the insurance companies are obligated to pay for more health care, thus the premiums have to be increased.

No capitation of coverage is allowed. Many insurance policies restrict the number of office visits (12 to 20). These plans are banned. But many of the Healthcare Insurance Exchanges contain capitation plans. This issue still has to be resolved. Obviously, if insurance companies have to pay more, they will have to raise their rates. Insurance companies' profits are restricted. The government has mandated that insurance companies can only make 20% profit. If insurance companies want to maintain their profits, they will have to raise their premiums or reduce provider costs and this is when the providers (you) will feel the pinch.

#### Provider Compensation Will Go Down

Insurance companies will earn bonuses from the government if they force the doctors in their networks to follow specific treatment guidelines. All doctors in an insurance network must do the same procedures, order the same tests and complete the same paperwork.

#### The Government's "Star" Rating System

The government will rate the provider cost-cutting effectiveness of each insurance company on a "star" scale of 1 through 5. If an insurance company gets a 4.5 or 5 star, they will receive a 10% bonus. For example: AARP Medicare insurance is presently rated as 3.5 stars. Humana Health Insurance is rated as 4 to 4.5 stars.

The only way an insurance company can get a 4.5 to 5 star rating is to cut provider costs more. Humana insurance company has already appointed a "star czar" to keep its network doctors in line and that means you.



### Number of Doctors Reduced

Smaller networks are easier to control, therefore, insurance companies will reduce the number of doctors in their networks. Some networks have already been cut 50%. United Healthcare will shrink its networks by 10% to 15% this year. Those doctors who want to remain in the networks will have to reduce their fees and length of care or be dropped. Unfortunately, a significant number of people will lose their doctors.

Blue Cross will tier its network doctors. Those doctors who remain in the high utilization tier category will be dropped from this network. If doctors want to remain in Blue Cross networks, they will have to reduce their fees and length of care to a lower utilization tier level or they will be dropped.

Chiropractors, in some states are not in all exchanges. High deductibles will prevent many patients from utilizing their insurance for chiropractic care. These people will become cash patients.

### Opportunity Knocks

More people will be covered for chiropractic care. All the people that couldn't purchase insurance because of pre-existing health problems can now do so. People who were dropped by insurance companies can now purchase health insurance.

Medicaid fees for service will increase.

### Opportunities Arise

When one door closes, another door opens. There will be new types of healthcare organizations that feature a team-based approach. Patient Centered Medicare Homes: These are organizations of doctors led by a primary care physician who will coordinate all care of the patient. The primary

care physician will be paid a certain amount of money for the care of a patient's health problem. If the primary doctor can resolve the patient's problem for less than the money allotted, the doctor can keep the difference as a bonus.

Chiropractors can be a member of the Medical Home Team. Accountable Care Organizations (ACOs): These organizations are similar to Medical Homes, but are much larger and can care for thousands of patients. While it's not necessary for a hospital to be a member of an ACO, most will. Most ACOs will start with hospital-owned practices and add other private practices to their organizations. The ACOs are paid and bonused similarly to the Medical Homes.

Chiropractors can be members of ACOs. Community Health Centers: This is where physicians band together into a campus to offer a one-stop-shop type of health care. The campus can be one large building or adjacent buildings that contain all types of healthcare, e.g., Primary Care, Specialists, Diagnostic facilities, etc.

Chiropractors can be a member of a Community Health Centers but admission will usually be reserved to DCs with advanced degrees, e.g., Orthopedics. Chiropractic will survive and thrive regardless of the changes in the healthcare delivery system under ObamaCare. Yes, we will have to change our methods of practice and fees for services, but when done right, change is good. So, prepare to change!