

Testimony
Health Services Committee
Tuesday, July 24, 2012
North Dakota Department of Health

Good morning, Chairperson Lee and members of the Health Services Committee. My name is Dr. Terry Dwelle, and I am the State Health Officer for the North Dakota Department of Health. I am here to provide testimony regarding federal health care initiatives and their impact on access to health care in North Dakota.

The mission of the Department of Health (DoH) is to protect and enhance the health and safety of all North Dakotans and the environment in which we live. We accomplish this mainly through prevention and regulation activities. We also offer a limited amount of *direct care* services such as preventive screenings for certain populations (such as mammograms, Pap smears, and colonoscopies), immunizations, and health services for children and youth with special needs. A large majority of the population we serve is uninsured or underinsured. The Affordable Care Act (ACA) affects prevention, direct care services, infrastructure and access to health care.

First, let me summarize some of the challenges the Department of Health will be facing due to ACA:

1. Some programs related to preventive screenings may be eliminated.
2. New programs may need to be developed to incentivize people to access preventive screenings.
3. Local public health units may have a hard time becoming an “in network” provider for insurance plans and may have difficulty getting reimbursed for vaccination costs.
4. There may still be issues regarding providing gap services for the underinsured, access to pediatric specialty and subspecialty care, and care coordination to navigate the various systems and services available for children and youth with special health care needs.
5. The increase in preventive care and immunizations covered by the Medicaid expansion will likely increase the cost of Medicaid for the state.
6. There is the potential for the loss of 317 vaccine to fill gaps in immunizations.
7. Resources will be needed in order for the department to implement meaningful use requirements.
8. More primary care providers will be needed to meet increased demands for preventive screenings.

9. There could be an increase in urgent care and emergent care requests, further straining the shortage of primary care providers.

Preventive Screenings

As I just mentioned, if preventive screenings are covered by insurance and all individuals are either insured or on Medicaid through the ACA, DoH programs will no longer need to pay for the screening, lab work and diagnosis. The focus for these programs will be more heavily on promotion, education and screening incentives. Just because a preventive screening is paid for does not always ensure that individuals are accessing the services. There may be other issues keeping them from accessing the service such as time away from work, travel costs and various inconveniences.

Immunizations

There are several different ways ACA will affect the immunization program.

- Medicaid expansion will increase access to vaccines for children and adults, but also will be an increase in Medicaid costs for the state.
- A proposed rule may increase vaccine administration fees. We will not know for sure if there is an increase, or the parameters of any increase, until the rule is finalized.
- The Prevention and Public Health Fund provides \$190 million for specific immunization projects such as interoperability between registries and electronic medical records, local public health billing systems, and vaccine storage and handling.
- For the Medicare population, all cost sharing will be eliminated for vaccines provided to a patient with a Personalized Prevention Plan.
- All ACIP recommended vaccines will be covered at first dollar for all ages. This should reduce the number of underinsured children. However, insurance plans can still require a patient to see an “in network” provider. As I stated earlier, becoming an “in network” provider for all insurance plans is proving difficult for local public health units.
- The impact to the Vaccines for Children and Section 317 vaccine programs is unknown. If all children are either Medicaid eligible or insured, the Section 317 vaccine program should not be necessary.

Health Services for Children and Youth with Special Needs

With regard to children and youth with special health care needs, ACA would prohibit excluding children and youth with pre-existing conditions and ban coverage rescission. It also includes provisions related to adequacy of coverage, removal of annual and lifetime benefit caps, and health homes for Medicaid enrolled children with chronic conditions. As I stated in my list of challenges, there may still be issues regarding providing gap filling services for the

underinsured, access to pediatric specialty and subspecialty care, and care coordination to navigate the various systems and services available.

Infrastructure

An indirect impact of ACA on the department is the requirement of providers to have meaningful use of electronic health records in order to receive higher payments from Medicare and Medicaid. There are three systems indirectly affected by this requirement in the Department of Health. We have been working on the necessary adjustments to our systems to allow for meaningful use for several years.

Access to Health Care

With regard to access to health care, theoretically, the health insurance mandate and expanded Medicaid provide the financial means or access to health care which could increase demand. The requirement that essential benefits of health plans include preventive screenings and immunizations could also increase the demand on primary care providers, another challenge I mentioned earlier.

Also impacting access to care is the providers' ability to get better collections and less uncompensated care. Better collections could provide the revenue to provide better access through walk-in clinics or other access points.

Any increased demand for preventive screenings will further strain the already limited number of primary care providers, particularly in rural areas. More primary care providers would be needed to meet increased demand. We will need to incentivize more doctors to practice primary care in both rural and urban areas of the state. We will also need to increase the use of mid-level professionals, such as nurse practitioners and physician assistants, in order to meet the demands.

This concludes my testimony. I am happy to answer any questions you may have.