

# The Affordable Care Act could have negative consequences for elderly recipients

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Three provisions of the Affordable Care Act (ACA) intended to enhance care transitions and prevent avoidable outcomes for the Medicare population are found to have inadequately addressed the needs of older, vulnerable recipients of long-term services and supports, according to George Washington University School of Nursing Assistant Research Professor Ellen Kurtzman, MPH, RN, FAAN.

Ms. Kurtzman was one of six authors of the paper examining the consequences of select ACA provisions on this subgroup of frail older adults. In the paper "Unintended Consequences Of Steps To Cut Readmissions And Reform Payment May Threaten Care Of Vulnerable Older Adults" published first online in the medical journal, "*Health Affairs*," three provisions were reviewed: the Hospital Readmissions Reduction Program, the National Pilot Program on Payment Bundling and the Community-Based Care Transitions Program.

The research found that these provisions inadequately address the unique needs of elderly Americans receiving long-term services and supports, and in some instances, produce unintended consequences that contribute to avoidable poor outcomes.

- Hospital Readmission Reduction Program. This program financially penalizes hospitals with excessive Medicare 30-day rehospitalization rates for three target conditions and should lead to improvements in care that will benefit all inpatients including

the subgroup studied. However, in order to reduce frail older adults' risk of rehospitalization, attention will need to be paid to the alignment and coordination between providers of [acute care](#) and long-term services and supports. Furthermore, older adults receiving long-term services and supports are frequently rehospitalized for conditions that are not being targeted by this policy. Therefore, more immediate improvements in care are likely to be realized for this vulnerable population if penalties targeted alternative diagnoses and accounted for coexisting conditions.

- **National Pilot Program on Payment Bundling.** Bundled payments—a set dollar amount paid to a hospital system for an episode of care—are designed to motivate providers to deliver care in the lowest-cost setting and to maximize operating margins while avoiding expensive post-acute stays and preventable rehospitalizations. However, under the pilot program, long-term services and support, which are chronic in nature and do not lend themselves to this payment model, are excluded as part of the "bundle." The authors point out that while the pilot should increase coordination within the bundle, there are no incentives to coordinate care before or beyond the bundle. Additionally, the fixed-fee structure of the payment model creates legitimate concerns about withholding services to realize savings.
- **Community-Based Care Transitions Program.** To date, 30 sites have been selected to participate in this program, which links community-based organizations with one or more hospitals with high readmission rates to provide transitional care services. However, the authors point out that under this program, hospitals serve as the "hubs" of care and frail older adults who are not hospitalized or who live outside the geographic regions served by these organizations may have limited access to needed transitional care services.

"While the [Affordable Care](#) Act makes significant investments in improving care transitions and reducing fragmentation, there are significant gaps for a vulnerable subgroup of [older adults](#) receiving long term services and supports," said Ms. Kurtzman. "To address potential gaps and emerging risks, we recommend policy makers carefully monitor the law's implementation, advance payment policies that integrate care more fully and support providers in delivery system changes. Without anticipating unintended consequences and retooling the payment and delivery systems, reform could fall short of its transformative promise."

**More information:** The research was funded under a grant awarded to the Long-Term Quality Alliance (LTQA) by the Commonwealth Fund. The paper will also appear in the July print edition of "*Health Affairs*."

Provided by George Washington University

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