



Celebrating Two Years of Progress

By Karen Davis



The second anniversary of the signing of the Affordable Care Act serves as a prime opportunity for reflection on progress in addressing fundamental flaws in the U.S. health system. It's particularly important to remember why the United States so urgently needs the Affordable Care Act. Just a few facts make it clear that the U.S.

cannot afford to continue on the course it took in the first decade of this century:

- The number of uninsured increased from 37 million in 2000 to 50 million in 2010.
- Health expenditures increased from \$1.4 trillion in 2000 to \$2.6 trillion in 2010, and from 14 percent of the Gross Domestic Product to 18 percent.
- 73 million Americans reported problems with medical bills or accumulated medical debt in 2010.
- Family health insurance premiums increased by 50 percent between 2003 and 2010, contrasted with only a 10 percent increase in median family income.
- The U.S. ranks last on preventable mortality out of 19 countries; 100,000 lives are lost each year as the result of medical errors.
- Half of older adults are not up to date with recommended preventive care.
- 71 percent of adults report difficulty getting timely access to their doctor; 54 percent of adults report wasteful or poorly organized care; and 47 percent of adults report poor coordination of care.
- Three-fourths of Americans say the health system needs fundamental change or complete rebuilding.

It was with this backdrop that the Affordable Care Act was signed into law two years ago on March 23, 2010. While the major provisions will not go into effect until 2014, already significant shifts to improve access and care while slowing the cost trend are evident.

- About 2.5 million young people and more than 50,000 Americans with preexisting conditions now have coverage.
- More than 86 million Americans took advantage of a newly free preventive service through their private insurance or Medicare in 2011, removing the financial barrier to screening services such as mammography and colonoscopy.
- Over 5.1 million people with Medicare saved more than \$3.1 billion on their prescription drugs thanks to “doughnut hole” rebates and drug discounts.
- Health care spending is now growing at the slowest rate in 50 years, according to the Centers for Medicare and Medicaid Services. And projected spending for the next decade is \$1.7 trillion below estimates made just two years ago.

- The year-old Center for [Medicare and Medicaid Innovation](#) already has a number of initiatives under way, including 32 Pioneer Accountable Care Organizations (ACOs), an Advanced Primary Care Demonstration at 500 community health centers, projects evaluating [bundled payment](#) that rewards high-value, coordinated care; programs aligning financing and care for people who are dually eligible for Medicare and Medicaid; and the Partnership for Patients, targeting safety and readmissions.
- In addition, mechanisms are now in place to help prevent unreasonable premium increases and, beginning in August, insurers will [provide rebates](#) to enrollees when they spend more than 15 to 20 percent of enrollees' premiums on administration and profits.

The Commonwealth Fund Commission on High Performance Health System's [local scorecard](#), released last week, shows that care is highly variable from one community to the next. The Affordable Care Act should help drive better local performance by ensuring more people have coverage and improving the way we pay for and deliver health care. Local providers now have the opportunity to save money and provide better care by organizing themselves into ACOs, and local leaders can also take advantage of opportunities provided by the Innovation Center.

We are on the cusp of addressing some of our nation's most costly and burdensome problems. Year three of health reform will continue to move the United States to a high-performing health care system in which all Americans have access to affordable, high-quality care.

