

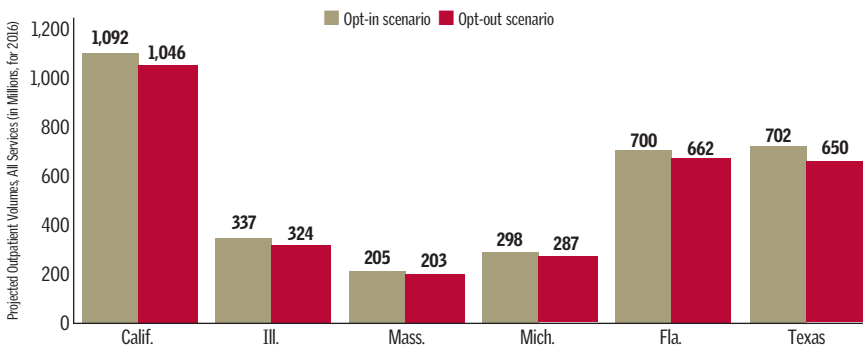
# FACTFILE

## Outpatient Services Under PPACA

The Patient Protection and Affordable Care Act will affect the volume of outpatient procedures in all ambulatory care settings. With respect to Medicaid, not all states have opted in to that expansion under PPACA, but according to a Truven Health Analytics™ forecast, if all states do opt in to the expansion of Medicaid, the number of projected outpatient procedures (all payers) would be about 101 billion over the next 10 years, about 2 billion more than the number projected under the current environment (which accounts for states that have opted in or out). In this report, we'll examine the implications for six states: Florida and Texas, which have opted out; and California, Illinois, Massachusetts, and Michigan, which have opted in.

### OUTPATIENT PROCEDURES, ALL SERVICES

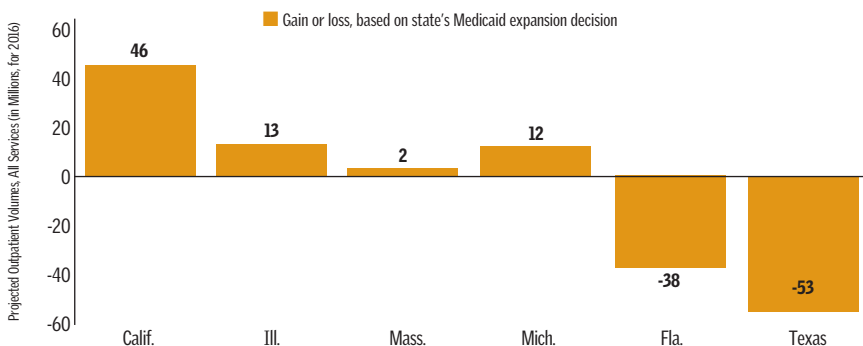
Based on Truven Health projections, here we see the number of outpatient procedures states could expect in 2016, the first year PPACA will be fully implemented, under two scenarios: if states had opted in and if they had opted out of the Medicaid expansion. Most states will have decided by then. Because Massachusetts expanded its healthcare coverage several years ago, there is little or no change in volume under PPACA.



SOURCE: Truven Health Outpatient Procedure Estimates 2013.

### OUTPATIENT PROCEDURES GAINED OR LOST, ALL SERVICES

The increase in outpatient procedures created by the PPACA can be considered *gained* procedures in states that opted in to Medicaid expansion and *lost* procedures for states that opted out. By opting in, for example, California stands to gain 46 million outpatient procedures while Texas will forgo 53 million procedures. The projections are for 2016, the first year that PPACA will be fully implemented and when most states will have made a final decision to opt in or out of Medicaid expansion.



SOURCE: Truven Health Outpatient Procedure Estimates 2013.

**ABOUT THE DATA:** Truven Health Analytics Outpatient Procedure Estimates predicts the total annual volume of ambulatory procedures performed by ZIP code, age group, sex, site of service, and payer for every market in the United States. Procedures are defined and reported by 590 categories of CPT® 1 codes and HCFA Common Procedure Coding System codes, which are further grouped into clinical service lines as well as broad technical groups. To construct population-based use rates for all payers and all ambulatory care settings, Truven Health Analytics used proprietary and public claims as well as federal surveys. For more information, visit [www.truvenhealth.com](http://www.truvenhealth.com), email [info@truvenhealth.com](mailto:info@truvenhealth.com), or call 1-800-366-7526.

### Medicaid Expansion Plans

States have the right to opt in or out of the Medicaid expansion under the Patient Protection and Affordable Care Act. Some have committed to implementing expansion in 2014 (25 states plus the District of Columbia), two states are seeking to move forward with expansion after 2014, and 23 states are not moving forward at this time.

Location	Current Status of Medicaid Expansion Decision
<b>United States</b>	
Alabama	Not moving forward at this time
Alaska	Not moving forward at this time
Arizona	Implementing expansion in 2014
Arkansas	Implementing expansion in 2014
California	Implementing expansion in 2014
Colorado	Implementing expansion in 2014
Connecticut	Implementing expansion in 2014
Delaware	Implementing expansion in 2014
District of Columbia	Implementing expansion in 2014
Florida	Not moving forward at this time
Georgia	Not moving forward at this time
Hawaii	Implementing expansion in 2014
Idaho	Not moving forward at this time
Illinois	Implementing expansion in 2014
Indiana	Seeking to move forward with expansion post-2014
Iowa	Implementing expansion in 2014
Kansas	Not moving forward at this time
Kentucky	Implementing expansion in 2014
Louisiana	Not moving forward at this time
Maine	Not moving forward at this time
Maryland	Implementing expansion in 2014
Massachusetts	Implementing expansion in 2014
Michigan	Implementing expansion in 2014
Minnesota	Implementing expansion in 2014
Mississippi	Not moving forward at this time
Missouri	Not moving forward at this time
Montana	Not moving forward at this time
Nebraska	Not moving forward at this time
Nevada	Implementing expansion in 2014
New Hampshire	Not moving forward at this time
New Jersey	Implementing expansion in 2014
New Mexico	Implementing expansion in 2014
New York	Implementing expansion in 2014
North Carolina	Not moving forward at this time
North Dakota	Implementing expansion in 2014
Ohio	Implementing expansion in 2014
Oklahoma	Not moving forward at this time
Oregon	Implementing expansion in 2014
Pennsylvania	Seeking to move forward with expansion post-2014
Rhode Island	Implementing expansion in 2014
South Carolina	Not moving forward at this time
South Dakota	Not moving forward at this time
Tennessee	Not moving forward at this time
Texas	Not moving forward at this time
Utah	Not moving forward at this time
Vermont	Implementing expansion in 2014
Virginia	Not moving forward at this time
Washington	Implementing expansion in 2014
West Virginia	Implementing expansion in 2014
Wisconsin	Not moving forward at this time
Wyoming	Not moving forward at this time

NOTE: Data reported here are as of December 11, 2013. It is important to note that per CMS guidance, there is no deadline for states to implement the Medicaid expansion.

SOURCE: Kaiser State Health Facts, *Status of State Action on the Medicaid Expansion Decision*, as of December 11, 2013, <http://kff.org/health-reform/state-indicator/state-activity-around-expanding-medicare-under-the-affordable-care-act/>; Medicaid.gov, *Medicaid and CHIP Eligibility Levels*, <http://medicaid.gov/AffordableCareAct/Medicaid-Moving-Forward-2014/Medicaid-and-CHIP-Eligibility-Levels/html>; Medicaid.gov, *State Medicaid and CHIP Policies for 2014*, <http://www.medicare.gov/Medicaid-CHIP-Program-Information/By-State/By-State.html>.

#### Upcoming Topic:

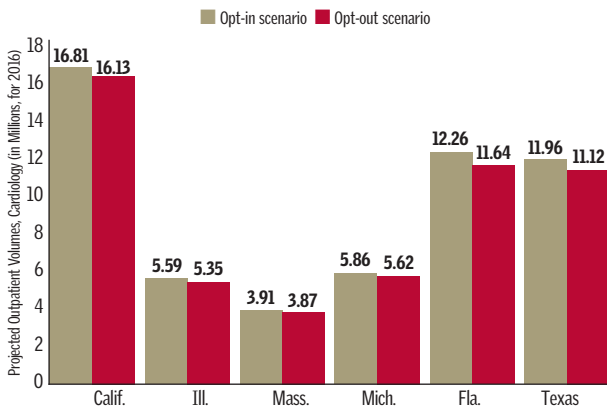
> Price Variation and Transparency

#### FACT FILE PARTNER:



## OUTPATIENT PROCEDURES, CARDIOLOGY

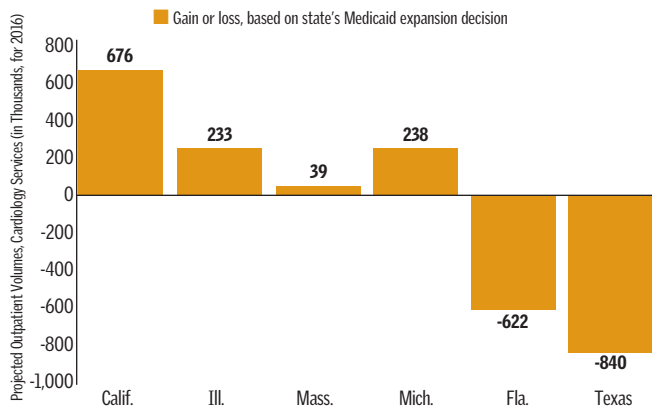
Medicaid expansion could have a significant impact on the number of cardiology outpatient procedures delivered. California can expect to benefit from an increase of 4%, while Florida and Texas will miss out on projected increases of 5% and 8%, respectively.



SOURCE: Truven Health Outpatient Procedure Estimates 2013.

## OUTPATIENT PROCEDURES GAINED OR LOST, CARDIOLOGY

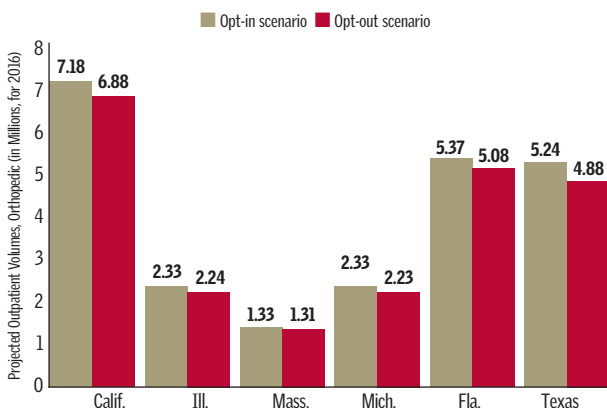
Medicaid expansion projections show that California and Michigan will benefit from about 676,376 and 237,916 additional cardiology outpatient procedures, respectively. Florida and Texas, however, will forgo an additional 621,635 and 839,898 procedures, respectively.



SOURCE: Truven Health Outpatient Procedure Estimates 2013.

## OUTPATIENT PROCEDURES, ORTHOPEDIC

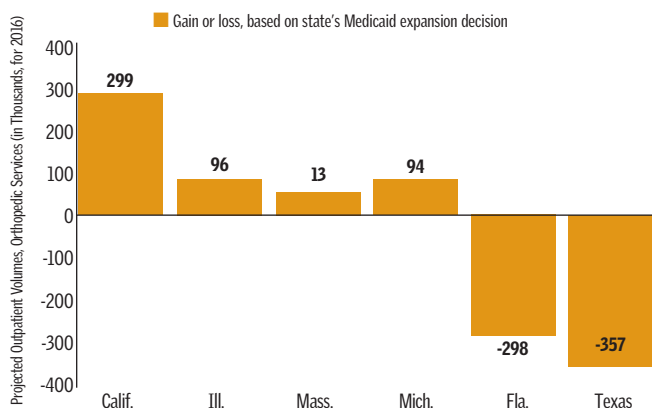
Medicaid expansion could impact the number of orthopedic outpatient procedures delivered, with California, Illinois, and Michigan expecting increases of about 4%. Larger increases of about 6% and 7% are projected for Florida and Texas, which are not opting in.



SOURCE: Truven Health Outpatient Procedure Estimates 2013.

## OUTPATIENT PROCEDURES GAINED OR LOST, ORTHOPEDIC

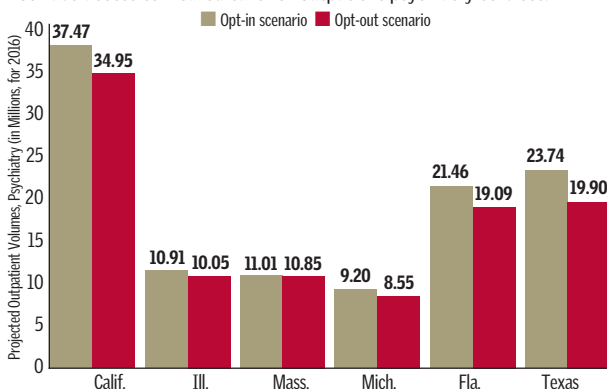
California will benefit from 299,122 additional orthopedic procedures under Medicaid expansion, while Florida and Texas, which have not opted in, will forgo additional volume of 298,457 and 356,574 such procedures, respectively.



SOURCE: Truven Health Outpatient Procedure Estimates 2013.

## OUTPATIENT PROCEDURES, PSYCHIATRY

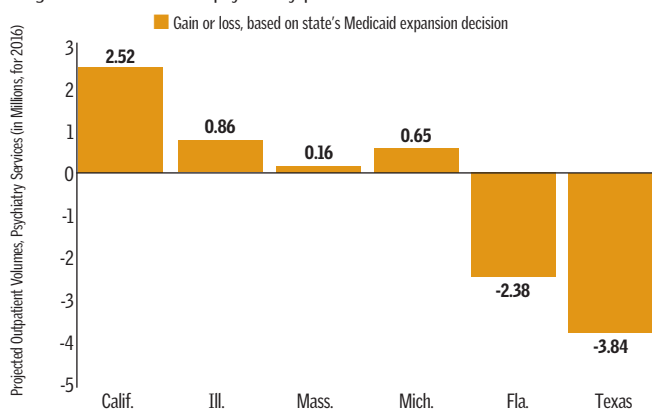
The federal Mental Health Parity and Addiction Equity Act of 2008 was created to ensure that insurers would cover mental illnesses, just as they cover treatment for other diseases. The data shows that there is a tremendous need for psychiatry services among the Medicaid population, and those who live in states that opted out of Medicaid expansion will not have access to insured care for outpatient psychiatry services.



SOURCE: Truven Health Outpatient Procedure Estimates 2013.

## OUTPATIENT PROCEDURES GAINED OR LOST, PSYCHIATRY

Those states that opted in to Medicaid expansion now have a large opportunity to provide outpatient psychiatry services to this population. California's forecasted increase is approximately 7.2%. Texas, which could expect an increase of 19% for such services, has opted out of the expansion and will forgo about 3.84 million psychiatry procedures.



SOURCE: Truven Health Outpatient Procedure Estimates 2013.

