



## CT Health Intern Academy 2012

### Breaking into Health: Tapping into Skills and Experience

#### Glossary – hot terms and trends

Accountable Care Organization (ACO)	Network of health care providers paid collectively for the full continuum of services for one patient, cited as an important payment reform innovation in moving from a fee-for-service payment system, aligning incentives, and to controlling costs
Affordable Care Act (ACA)	Patient Protection and Affordable Care Act – passed March 2010, national health reform law, recently upheld (largely) by Supreme Court
aligning incentives	Payment reform in which all actors, providers and payers, are paid to improve quality and performance, not to drive up volume
Bundling	Payment system in which providers are paid a flat fee for entire episodes of care, i.e. knee replacement, rather than for each service separately
Adverse selection	Theory that people with higher health care needs are more likely to enroll in health insurance, driving up costs so fewer healthy people are willing to pay, creating a circular “death spiral”, health plans set policies to reduce adverse selection such as enrollment periods and minimum participation rates in groups
Capitation	A payment system in which providers receive a set amount for each patient rather than being paid for each service provided, rates can be adjusted based on patient risk, i.e. higher payments for patients with chronic illness
Comparative Effectiveness Research	Field of research that identifies the value of health care services in effectiveness of treatment and cost
Dual eligible	People eligible for both Medicare and Medicaid, generally elderly or disabled
Fee for service	Traditional payment system in which providers are paid for every service they provide, and generally only for face-to-face patient care, said to be driving up health costs
Health Information Exchange	A system to share electronic health records between providers, and possibly payers and/or public health departments, critical to protect patient privacy
Health Insurance Exchange	New consumer-friendly marketplaces created in the ACA allowing consumers and small businesses to purchase health insurance, includes navigators to educate and assist consumers, low income consumers must purchase insurance in state exchange to access federal subsidies under ACA
Individual mandate	Section of the ACA that requires all individuals to obtain/purchase health care coverage by January 1, 2014 or face penalties, upheld by the Supreme Court
Medical Loss Ratio	ACA provision that requires health plans to spend at least 80 to 85% of premiums they collect on medical care, plans that do not meet this standard must refund

	the excess back to consumers
Patient-Centered Medical Home (PCMH)	Primary care practices that not only provide basic care services, but also coordinate care with other providers, support patients in managing their own care, and offer extended hours, are generally paid extra for those services, PCMHs have shown promise in reducing costs and improving health outcomes
Pay for Performance (P4P)	Incentives to providers for reaching quality standards
Risk adjustment	A system to increase or decrease rates to reflect higher or lower expected patient needs, designed to compensate plans that have older or sicker pools and reduce incentives to select only healthier patients or “cherry picking”
Shared savings	Payment system in which providers are paid a portion of the difference between expected patient costs and actual costs, may be combined with risk – providers must cover some of the extra if costs exceed expectations
Uncompensated care	Costs of services provided but not paid for, includes services for uninsured patients who cannot pay their bills in full, hospitals, are reimbursed by government for some of these costs
Underinsured	Consumers with insurance but at risk of very high out-of-pocket costs or limits on benefits if they become ill
Wellness programs	Employment-based programs designed to improve health, i.e. smoking cessation, designed to reduce costs and improve employee productivity
Other glossaries:	
Kaiser Foundation	<a href="http://www.kff.org/healthreform/upload/7909.pdf">http://www.kff.org/healthreform/upload/7909.pdf</a>
OHA	<a href="http://www.ct.gov/oha/cwp/view.asp?Q=461224&amp;A=3853">http://www.ct.gov/oha/cwp/view.asp?Q=461224&amp;A=3853</a>
SAMHSA	<a href="http://www.samhsa.gov/healthreform/docs/ConsumerTipSheet_CommonTerms_HealthReform_508.pdf">http://www.samhsa.gov/healthreform/docs/ConsumerTipSheet_CommonTerms_HealthReform_508.pdf</a>
Commonhealth	<a href="http://commonhealth.wbur.org/2012/04/health-reform-glossary">http://commonhealth.wbur.org/2012/04/health-reform-glossary</a>