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## **FOCUS: Health care report**

# **A healthy approach to the ACA**



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[Ken Janda](#) may not work at a hospital, but he certainly knows what aspects of the Affordable Care Act keep health care leaders awake at night.

Janda is CEO of **Community Health Choice Inc.**, a nonprofit health maintenance organization that services more than 230,000 members through health programs geared toward the low-income population. Low-income areas are a top concern for many local hospitals under new rules of the ACA. Janda spoke with Houston Business Journal reporter Bayan Raji on ACA's ramifications on hospitals.

### **What are the greatest concerns hospitals have regarding the ACA?**

Almost all of the hospitals are disappointed Texas did not do Medicaid expansion. The **Texas Hospital Association** and most of the hospital people I talk to believe that would have been a good thing for Texas hospitals.

(Secondly), ACA hospitals are looking at, and struggling with right now, the implementation of the health insurance marketplace (also known as health insurance exchange). It's a place where people will be able to go and buy an individual policy.

Different hospitals are taking different approaches to the new marketplace. Some see this as an opportunity because there (are) 2 (million) to 3 million people (in Texas) who will be eligible to buy a subsidized health insurance product, and that's a good thing for hospitals

because they are generally supportive of more people having health insurance.

### **Why wouldn't a hospital want to participate in an exchange?**

Lower-income people who are eligible for subsidies (on the exchange) may buy an insurance policy that has a lot of co-insurance or deductibles. In that case, the hospital may still have a lot of bad debt in terms of its ability to collect on those deductibles.

### **What is something that will impact hospitals that many people may not know about?**

About 1.5 million people in Texas would have been eligible for Medicaid if it were expanded. Many of those individuals won't be eligible for Medicaid (since Texas did not expand) or subsidies for health plans on the marketplace. The lowest-income citizens are the ones who get left out and utilize charity clinics or show up in the emergency room as uncompensated care.

Probably 25 percent of the 1.5 million are in the Houston area.

Bayan Raji covers health care for the Houston Business Journal. For her breaking stories and industry insights, [follow her on Twitter](#).