What Happens Next? Health Reform Strategies for States Not Expanding Medicaid in 2014

May 14, 2013

Welcome! Our webinar will begin shortly.

To download materials, visit our website at www.SouthernAIDSCoalition.org
Webinar Instructions

• All attendees are in listen-only mode.
• Please utilize the chat feature to ask questions at any time. This webinar has too many attendees for questions to be submitted over the phone.
• During the Q&A segment the moderators will read the questions that have been submitted.
• If you have further questions after the webinar has concluded, please email rcopps@southernaidscoalition.org

Audio and Chat

• Calling in via computer is preferred. Although if you are having difficulty you may also call via phone.
• Be sure to keep device on “mute.”
The Southern AIDS Coalition was formed in 2001 as a membership organization comprised of a unique partnership of government representatives, community-based organizations, people living with HIV disease, and business entities.

SAC works to address the disparate impact of HIV on the southern region by promoting accessible and high quality systems of HIV and STD prevention, care, treatment, support services, and housing.

SAC advocates for PLWHA and the organizations that serve them. SAC’s advocacy and policy development, capacity building, and technical assistance has been instrumental in the development and implementation of public health policies improving the quality of life for those living with HIV in the South.

Thank you to our partners, NASTAD and AIDS United (Southern REACH).
About NASTAD

The National Alliance of State and Territorial AIDS Directors (NASTAD) represents the nation's chief state health agency staff who have programmatic responsibility for administering HIV/AIDS and viral hepatitis healthcare, prevention, education, and supportive service programs funded by state and federal governments.

NASTAD is dedicated to reducing the incidence of HIV/AIDS and viral hepatitis infections in the U.S. and its territories, providing comprehensive, compassionate, and high-quality care to all persons living with HIV/AIDS and viral hepatitis, and ensuring responsible public policies.

Our presenter Amy Killelea, JD

- Amy Killelea is a Senior Manager with the National Alliance of State & Territorial AIDS Directors (NASTAD) Health Care Access Program.
- Amy joined NASTAD in June 2012 and is helping to lead NASTAD's health reform implementation efforts, including developing implementation resources and technical assistance for state HIV/AIDS programs and working on policy recommendations and analysis to inform federal implementation.
- Amy also co-chairs the Federal AIDS Policy Partnership's HIV Health Care Access Working Group, a federal advocacy coalition made up of over 100 national and community-based HIV service organizations.
Today’s Webinar Overview

- Part 1: ACA Implementation Timeline and Decision Points

- Part 2: Implementation Update and Strategies for States Not Yet Expanding Medicaid
  - Medicaid expansion update
  - Nuts and bolts of private insurance reforms and how to maximize access for low-income individuals

- Questions

Part 1: Timeline and Decision Points
### ACA Timeline

- **December 2012**: States must submit plan for state-run exchange to HHS
- **January 2013**: States must choose Essential Health Benefits benchmark plan for private insurance plans sold through exchanges
- **February 2013**: States must submit plan for partnership exchange to HHS
- **March 2013**: 1% increase in FMAP if states cover certain prevention services for Medicaid
- **September 2013**: Ryan White Program Reauthorization
- **October 2013**: Open enrollment for exchange coverage
- **January 2014**: Medicaid expansion and exchange coverage begins
- **Pre-existing Condition Insurance Plans (PCIPs) sunset**

Automated federal cuts as a result of Budget Control Act go into effect (could impact community health centers, subsidies to purchase private insurance, Ryan White Program)

### ACA Decision Points

**Federal**
- Agencies (Dept of Health and Human Services; Dept of Labor; Dept of the Treasury)
- Congress
- President

**State**
- Agencies (Dept of Insurance, Dept of Health, HIV/AIDS Office, Medicaid)
- State legislature
- Governor
- Exchange board
Part 2: Implementation Update and Planning Questions

ACA and the Ryan White Program

- Three questions that will determine the impact of the ACA on Ryan White Programs:
  - Will the ACA’s insurance expansions be fully implemented in every state?
  - Will the benefits requirements for both private insurance and Medicaid meet the HIV/AIDS prevention, care, and treatment needs?
  - Will we be able to both leverage the ACA and preserve the Ryan White Program expertise and models of care to continue to make strides along the treatment cascade?
Ryan White Program Clients: Looking ahead to 2014

ADAP Clients Served, by Income Level, June 2012

- ≤100% FPL: 45%
- 101-138% FPL: 19%
- 139-200% FPL: 19%
- 201-300% FPL: 15%
- 301-400% FPL: 6%
- >400% FPL: 2%
- Unknown: <1%
- >400% FPL: Unknown: <1%

NASTAD National ADAP Monitoring Project Annual Report, January 2013
What Happens in a State That Does Not Expand Medicaid?

- **Traditional Medicaid**
  Limited to people with very low income AND who fall into qualifying category:
  - Disabled
  - Low-income parents w/ dependent children
  - Pregnant women
  - Low-income children

- **The Gap**
  People with incomes below 100% FPL, but who cannot qualify for Medicaid under current rules may be left out of reform if the state does not expand

- **Subsidized Private Insurance through Exchanges**
  Private insurance available through exchanges:
  - Premium tax credits for people with income between 100 and 400% FPL
  - Cost-sharing subsidies for people with income between 100 and 250% FPL

Medicaid Reforms and What They Mean in My State

Support for Medicaid Expansion is Growing

*Source: Center on Budget Policy and Priorities*
The Medicaid Expansion and What It Means in My State
(continued)

- BUT, there are still plenty of reasons a state will expand eventually...
  - Federal government pays 100% of expansion costs for 2014-2016 and gradually reduced to 90% in 2020 and beyond
  - Other reforms (e.g., DSH payment reductions) make it difficult not to expand because of the increased pressure on hospitals without increased revenue from insured patients
  - States have significant flexibility around benefits for expansion population
  - Uptake may be slow, but states have generally come around to Medicaid and CHIP expansions

Ryan White Program Clients: Looking ahead to 2014

ADAP Clients Served, by Income Level, June 2012

- ≤100% FPL 45%
- 101-138% FPL 14%
- 139-200% FPL 19%
- 201-300% FPL 15%
- 301-400% FPL 6%
- >400% FPL 2%
- Unknown <1%
Exchange Establishment
- Options for exchange implementation:
  - State-based exchange
  - Federally-facilitated exchange
  - Partnership/hybrid model
- ALL exchanges must have:
  - Outreach/patient navigator programs
  - Plan certification criteria (including network adequacy standards)
  - Simple application process for Medicaid and insurance subsidies based on MAGI
Exchange/Marketplace Establishment and What It Means in My State

(continued)

Exchange/Marketplace Portal

Federal Data Services Hub
- SSN verification via SSA
- Citizenship and immigration status via DHS
- Incarceration verification via SSA
- Title II benefits information via SSA
- MAGI income from IRS

Application for Coverage

- **Streamlined Application and Enrollment**
  - Applicants must be able to apply for Medicaid, private insurance subsidies, and other insurance affordability programs through one application
    - States can create their own application subject to HHS approval
    - OR states can use HHS template
  - New income formula called “Modified Adjusted Gross Income” (MAGI)
  - Medicaid must coordinate w/exchange
  - States must be able to ensure that beneficiaries are able to access the appropriate benefits package
Implementation Update: Essential Health Benefits (EHB)
- HHS adopted “benchmark” approach, meaning the specifics of the EHB will be determined by each state
- States chose from ten benchmark options (based on plans in the existing insurance market)
- Benchmark must include the ten categories of EHB benefits AND mental health parity
- Ongoing concerns:
  - Still very little regulation on plan content requirements
  - Non-discrimination requirements are weak
  - Service limits & utilization management may continue
  - Some positive language on prescription drug coverage (movement away from one drug per class standard)
## Example: Case Management Coverage

<table>
<thead>
<tr>
<th>Private Insurance Benchmark Plan</th>
<th>Medicaid</th>
<th>Ryan White Program</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Case management</strong></td>
<td><strong>Targeted Case Management</strong></td>
<td><strong>Medical case management</strong></td>
</tr>
<tr>
<td>Periodic phone calls to discuss appointments and assist in finding services.</td>
<td>Targeted case management services are available to children with serious emotional disturbance, adults with serious mental illness, persons with a developmental disability, and those with co-occurring substance use disorders.</td>
<td>Coordination and follow-up of medical treatments, ongoing assessment of the client’s and other key family members’ needs and personal support systems, development of a service plan, coordination of services, provision of treatment adherence counseling to ensure readiness for, and adherence to HIV/AIDS treatments.</td>
</tr>
<tr>
<td><strong>Counseling</strong></td>
<td>Services include assessment addressing needs, coordinating services and supports with all providers, making referrals, and assisting in accessing health and social services programs.</td>
<td>Non-medical case management Includes provision of advice and assistance in obtaining medical, social, community, legal, financial, and other needed services (does not include coordination and follow-up of medical treatments).</td>
</tr>
<tr>
<td>HIV screening and counseling for adults and adolescents “at higher risk.”</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education conducted by participating providers about managing chronic disease states.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

## Providers Available through Marketplace Coverage

- Exchange/marketplace plans MUST contract with “Essential Community Providers” (ECPs)
  - ECP definition includes Ryan White providers

- Weak state federal standards with regard to how many and what type of ECPs will meet the network adequacy standards (“good faith” effort)

- Non-discrimination provisions provide another avenue to ensure access to qualified providers
Help with Meeting Premium and Cost-Sharing for Marketplace Coverage

- **Affordability of Insurance**
  - Advance Premium Tax Credits for people with income between 100 and 400% FPL
    - Tax credit = difference between benchmark premium and taxpayer’s expected contribution
      - Expected contribution based on annual income and increases as income increases (2% of income for people at 100% FPL to 9.5% people at 400% of FPL)
      - Based on end-of-year tax filings and paid in advance directly to plans (member responsible for overpayment)
  - Cost-sharing reductions for people with income between 100 and 250% FPL
    - Increases actuarial value to reduce member contribution

**APPLICATION**
Person applies for premium tax credit and cost-sharing reductions during exchange open enrollment periods with either most recent tax returns or other documentation of income (e.g., pay stubs).

**PAYMENT**
Premium tax credit is paid in advance on a monthly basis directly to the health plan. Payment amounts are based on income. ADAP may cover amount not covered by federal subsidy.

**RECONCILATION**
When the person files a tax return for the actual year in which he/she received the tax credit, underpayments or overpayments are reconciled (overpayments are capped based on income).

**Premium Tax Credits**
(available to people with income between 100 and 400% FPL)

**Cost-Sharing Reductions**
(available to people with income between 100 and 250% FPL)
How to Maximize Affordable Private Insurance Coverage

- ADAP preparation to assist clients meet premium and cost-sharing obligations
  - Particularly for people with income under 100% FPL
- Monitor federal guidance and activities on federally facilitated exchanges/marketplaces
  - Participate on stakeholder calls
  - Assess plan options and designs when available
- Preparing clients for private insurance coverage
  - Many clients do not file federal taxes
  - Client outreach and education

Outreach and Enrollment Opportunities

- HIV/AIDS Programs and Providers
  - Insurance Assisters
  - Medicaid Outreach (Certified Application Counselors)
- Patient Navigator Program
- Community Health Centers
- Consumer outreach and enrollment
Outreach and Enrollment Opportunities
(continued)

- How will clients know what they are eligible for and enroll in the right plan?

**Plan Analysis**
- Prescription drug formulary
  - Must be comparable to ADAP for ADAP to help with insurance purchasing
- Scope of benefits covered
  - Limits on services (including prior authorization)
- Cost-sharing design and availability of premium tax credits and cost-sharing subsidies
- Provider networks

Preparing Providers for Health Reform

- Relationship w/safety net providers
- Local preparation for health reform
- Preparation for insured clients (e.g., billing)
- Strategic planning to negotiate new health care landscape
- Preparation to provide vital enabling services not covered by ACA insurance expansion
National Alliance of State & Territorial AIDS Directors (NASTAD), www.NASTAD.org
  – Amy Killelea, akillelea@nastad.org
HIV Health Reform, http://www.hivhealthreform.org/
HIV Medicine Association, www.hivma.org
Health Care Reform Resources
  – State Refo(ru)m, www.statereforum.org

Questions?

Ask your questions using the webinar chat feature.
If we don’t get to your question it will be logged and we’ll do our best to follow-up!
If you have further questions after the webinar has concluded, please email rcopps@southernaidscscoalition.org
What’s next?

- Download & share the presentation and webinar recorded (available in a few days) at www.southernAIDScoalition.org
- We need your feedback! After the webinar you will receive an email with a quick, 5-question survey about the webinar.
- Thank you for participating!