



## AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

March 26, 2013

### Quick Links

[MA-ACA Website](#)



These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

### Grants and Demonstrations

The ACA provides funding opportunities to transform how health care is delivered, expand access to care and support healthcare workforce training.

### Grant Activity

For information about ACA grants awarded to and grant proposals submitted by the Commonwealth, visit the Grants page of the **Massachusetts National Health Care Reform website** at: [Mass.Gov](#)

### Guidance

**3/26/13** The U.S. Office of Personnel Management (OPM) published a correction to the [final regulations](#) "Patient Protection and Affordable Care Act: Establishment of the Multi-State Plan Program for the Affordable Insurance Exchanges" that were published in the Federal Register on March 11, 2013. The corrections make clarifying and technical changes to the final regulations.

The final rule implements the Multi-State Plan Program (MSPP) under ACA §1334 which requires the OPM, which administers the Federal Employees Health Benefits Program (FEHBP), to contract with at least two Multi-State Plans (MSPs) on each of the Affordable Insurance Exchanges. The MSPP is intended to promote competition in the insurance marketplace and help ensure individuals and small employers have higher quality, affordable health insurance plans from which to choose beginning in 2014. An MSPP issuer may phase in the States in which it offers coverage over four years, but it must offer MSPs on Exchanges in all States and the District of Columbia by the fourth year in which the MSPP issuer participates in the MSPP. Health insurance issuers who wish to offer MSPs will complete an application. Although the MSPP is a federal program it will offer products through the state-level exchanges. In addition to compliance with the

ACA's requirements that apply to all qualified health plans (QHPs), MSP's must also comply with applicable FEHBP requirements and be licensed by the states in which they do business. Under the ACA, OPM will negotiate a contract with each multi-state QHP in order for that plan to be certified for participation in that state's Exchange. QHPs are health plans that have been certified by an Exchange, provide essential health benefits (§1301) and follow established limits on cost-sharing (like deductibles, copayments, and out-of-pocket maximum amounts).

Read the correction at: <http://www.gpo.gov/fdsys/pkg/FR-2013-03-26/pdf/2013-06782.pdf>

**3/19/13 CMS issued a final rule "Medicare and Medicaid Programs; Requirements for Long-Term Care (LTC) Facilities; Notice of Facility Closure."** The final rule implements the ACA §6113 which states that in the case of an LTC facility closure, administrators of a skilled nursing facility (SNF) or a nursing facility (NF) must submit written notification and a plan for relocation of residents at least 60 days prior to the closure. In cases where the Secretary terminates the facility's participation in Medicare or Medicaid, the Secretary will set the deadline.

The final regulations are intended to implement a process that administrators must follow in an event of a long-term care facility closure that protects the health and safety of their residents. In addition, the regulations clarify that the administrator is responsible for ensuring that the facility does not admit any new residents after the written notification is submitted and that the plan provides adequate transfer of residents to another facility. Administrators of SNFs and NFs may face up to \$100,000 civil money penalty for non-compliance of this regulation.

Read the proposed rule (which was published in the Federal Register on February 18, 2011) at: <http://www.gpo.gov/fdsys/pkg/FR-2011-02-18/pdf/2011-3806.pdf>

Read the final rule (which was published in the Federal Register on March 19, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-03-19/pdf/2013-06276.pdf>

**3/21/13 IRS/Treasury/EBSA/DOL/CMS issued a proposed rule "Ninety-Day Waiting Period Limitation and Technical Amendments to Certain Health Coverage Requirements under the Affordable Care Act."** The proposed rule, which implements ACA §2708, would prevent any group health plan and health insurance issuer from applying waiting periods that exceed 90 days. This provision applies to grandfathered and non-grandfathered group health plans and group health insurance coverage for plan years beginning on or after January 1, 2014.

In addition, the proposed rule would amend existing regulations related to preexisting conditions limitations, waiting periods, and other provisions. The proposed rule also clarifies that the multi-state plan program (MSPP) will be subject to the Federal external review process. The MSPP is intended to promote competition in the insurance marketplace and help ensure individuals and small employers have higher quality, affordable health insurance plans from which to choose beginning in 2014.

Comments are due May 20, 2013.

Read the proposed rule (which was published in the Federal Register on March 21, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-03-21/pdf/2013-06454.pdf>

## News

**3/21/13** CMS announced that as a result of the ACA, over 6.3 million seniors and people with disabilities with **Medicare Part D who reached the gap in coverage known as the "donut hole"** have received an automatic discount on their prescription drugs. CMS data show 133,634 Medicare beneficiaries have benefitted from the discount as of March 2013. In Massachusetts, as of March 2013, 2,139 individuals had received an average discount amount per beneficiary of \$1228. This year, beneficiaries will receive a 52.5%

discount of the cost of most brand name drugs and a 21% discount of the cost of covered generic drugs. Last year beneficiaries received a 14% discount on generics and a 50% discount on their covered brand name prescription drugs. In 2011, the ACA provided a 7% discount on covered generic medications for people who hit the donut hole. In 2010, nearly 4 million beneficiaries who hit the donut hole received a one-time \$250 rebate under the ACA to help them afford prescription drugs in the coverage gap. These discounts will continue to grow over time until the donut hole is closed completely in 2020 as required by §1101.

In addition, through §4103 and §4104 of the ACA, HHS announced that over 34 million people with original Medicare and Medicare Advantage received at least one **free preventive service**.

For the CMS data, visit: [CMS](#)

For more information on the donut hole coverage, visit: [cms.gov](#)

For more information on the free preventive services, visit:

<http://www.hhs.gov/news/press/2013pres/03/20130318a.html>

## **EOHHS News**

**3/18/13 Massachusetts submitted comments to HHS/CMS on the proposed exchange functions** under ACA §1411 that will be used for proposed eligibility standards related to the categories of exemptions that will be handled by the Exchange and a verification and eligibility determination process for these categories of exemptions.

In addition, this rule proposes that certain coverage be designated as minimum essential coverage by the Secretary, and outlines substantive and procedural requirements that other types of individual coverage must fulfill to be recognized as minimum essential coverage. According to the proposed rule, individuals will not have to make a payment if coverage is unaffordable, if they spend less than three consecutive months without coverage, or if they qualify for an exemption for several other reasons, including hardship and religious beliefs. The rule also provides an exemption for those individuals who would be eligible for Medicaid but for a state's choice not to expand Medicaid eligibility (pursuant to the Supreme Court decision).

The comment period has closed but a link to the February 1, 2013 Federal Register notice about the proposed exchange functions can be read at:

<http://www.gpo.gov/fdsys/pkg/FR-2013-02-01/pdf/2013-02139.pdf>

The Massachusetts comment letter can be read online at the Massachusetts national health reform website under the State and Federal Communications section at: [Mass.Gov](#)

## **Upcoming Events**

### **Money Follows the Person Stakeholder Meeting**

March 28, 2013 (rescheduled from March 19)

2:00PM - 3:30PM

Boston Public Library, Mezzanine Conference Room

700 Boylston Street

Boston, MA

The Mezzanine Conference Room may be accessed through Boylston Street entrance the library. Take the elevator, located behind the front desk, to the Mezzanine level.

For parking information please use the following link:

<http://www.bpl.org/central/copleymap.htm>

Wheelchair accessible parking spaces are available in front of the Boylston Street entrance to the Library.

Please contact [MFP@state.ma.us](mailto:MFP@state.ma.us) to RSVP and to request reasonable accommodations. Although RSVPs are greatly appreciated, they are not required.

**Duals Demonstration Implementation Council Meeting**

April 12, 2013

1:00 PM - 3:00 PM

State Transportation Building, Conference Rooms 1, 2 and 3  
10 Park Plaza  
Boston, MA

**Duals Demonstration Implementation Council Meeting**

May 10, 2013

1:00 PM - 3:00 PM

State Transportation Building, Conference Rooms 1, 2 and 3  
10 Park Plaza  
Boston, MA

The Implementation Council welcomes attendance at its meetings from all stakeholders and members of the public with interest in the Demonstration. Reasonable accommodations will be made for participants who need assistance. Please send your request for accommodations to Donna Kymalainen at [Donna.Kymalainen@state.ma.us](mailto:Donna.Kymalainen@state.ma.us).

Bookmark the **Massachusetts National Health Care Reform website** at: [National Health Care Reform](#) to read updates on ACA implementation in Massachusetts.

Remember to check the Mass.Gov website at: [Dual Eligibles](#) for information on the "**Integrating Medicare and Medicaid for Dual Eligible Individuals**" initiative.