



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

April 16, 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 Announcements

Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Exchanges, §1311 and 1321. Announced April 9, 2013. Funding is available to eligible applicants to operate as Exchange Navigators in states with a Federally-Facilitated Exchange or a State Partnership Exchange. This grant is not applicable in Massachusetts which will operate a State-based Exchange. Self-employed individuals, private and public entities are eligible to apply. Navigator Grant programs will provide assistance to consumers who will need to understand new programs and take advantage of consumer protections that are offered through the Affordable Insurance Exchange. Awardees must have expertise in eligibility and enrollment rules; qualified health plan options, the needs of underserved and vulnerable populations and privacy and security standards. \$54M in 100 awards is available. Applications are due June 7, 2013.

The announcement can be viewed at: GrantSolutions.Gov

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

3/29/13 CCIIO released Frequently Asked Questions (FAQ) about Ancillary Insurance Products and Health Insurance Exchanges. According to CCIIO, stand-alone vision plans and other ancillary insurance products such as disability or life insurance products cannot be offered in or through an Exchange. Under the requirements of ACA §1311 and §1312, an Exchange may only offer qualified health plans (QHPs), including stand-alone dental plans, to qualified individuals and qualified employers. However, ancillary insurance products, which are not QHPs, may be offered by separate state programs that share resources and infrastructure with a State-based Exchange.

The ACA established Affordable Insurance Exchanges (§1311(b)) to provide individuals and small business employees with access to health insurance coverage beginning January 1, 2014. If states choose not to run either a State-Based Exchange or a State-Federal Partnership Exchange, the Department of Health and Human Services will run a Federally-facilitated Exchange (§1321). Under the Federally-facilitated Exchange, HHS will operate all Exchange functions including engaging stakeholders; certifying, recertifying and decertifying QHPs; determining eligibility for enrollment in a QHP through the Exchange and providing consumer support. 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).

In the FAQ, CCIIO also explains that basic information provided by the Exchange must explain to consumers that the stand-alone vision and other ancillary products are not QHPs, and that the advanced premium tax credits are not available for these products.

Read the FAQ at: <http://cciio.cms.gov/resources/files/ancillary-product-faq-03-29-2013.pdf>

News

4/8/13 HHS announced the awarding of \$275.6 million in Affordable Insurance Exchange grants to five states to help them create exchanges under ACA §1311. The announcement of Level One and Two Establishment Grant funding will give states more resources to build exchanges and implement the ACA. States receiving Level One, one-year awards are: Illinois, Arkansas, Rhode Island and New Hampshire. Hawaii received a Level Two Exchange Establishment Grant, multi-year grants awarded to states further along in building their ACA Exchanges.

With this announcement, a total of 49 states, the District of Columbia, and four territories have received Planning Grants to begin designing their Exchanges. 37 states, the District of Columbia and four territories have received grants to work on building their Exchanges. These grants are all part of a series of ACA grants to help states develop exchanges.

The ACA allows each state the opportunity to establish an Affordable Insurance Exchange to help individuals and small employers purchase affordable health insurance coverage that begins on January 1, 2014. HHS will continue to award grants through 2014.

For a detailed breakdown of Exchange grant awards made to states visit:

<http://www.cciio.cms.gov/Archive/Grants/exchanges-map.html>

For more information on Exchanges, visit: <http://www.healthcare.gov/marketplace>

4/1/13 DOL released its third annual report to Congress on Self-Insured Group Health Plans, as required by ACA §1253. The report contains general information on self-

insured employee health benefit plans and financial information on the employers that sponsor them. The first report was provided to Congress in March 2011.

The majority of Americans receive their health insurance through their employer or the employer of a close relative. There are several ways in which plan sponsors (usually the employers) may fund the health insurance plans that they offer to their workers. In a self-insured health plan, the plan sponsor generally directly funds the health benefits for its covered enrollees. Self-insured plans can be financed on a pay-as-you-go basis or through contributions to a trust fund established for the express purpose of paying for the claims of the plan's participants and beneficiaries. The plan sponsor may choose to administer its health plan directly or to utilize an outside professional to administer its health plan, typically a Third-Party Administrator (TPA). In contrast, a fully-insured plan is one in which the employer purchases group health insurance coverage through an insurer that assumes the risk of paying the health-care claims of the participants covered under the health benefit plan and performs the plan's administrative functions. Self-insurance is more common among larger employers, mainly because the health expenses of larger groups are more predictable and therefore larger sponsors face less risk.

Self-insured and fully-insured plans are governed by different policies, laws and regulations. State laws that govern group health insurance generally do not apply to self-insured plans. Furthermore, some ACA provisions apply to group health insurance but not to self-insured plans. In Massachusetts, although coverage of certain services is mandated across the fully-insured market; state insurance laws do not apply to the self-funded market. Self-insured group health plans, health insurance coverage offered in the large group market, and grandfathered plans are not required to cover the essential health benefits (§1302).

Read the April 2013 report at: <http://www.dol.gov/ebsa/pdf/ACAReportToCongress033113.pdf>

Upcoming Events

Integrating Medicare and Medicaid for Dual Eligible Individuals Implementation Council Meeting Open Meeting

April 19, 2013

1:30 PM - 3:30 PM

Hoaglund-Pincus Conference Center

222 Maple Avenue

Shrewsbury, MA 01545

The purpose of this meeting is to continue discussion of key implementation topics for the Duals Demonstration. We welcome attendance 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. Directions and maps to the Hoaglund-Pincus Conference Center, including information on public transportation, are available at <http://www.umassmed.edu/conferencecenter/Directions.aspx>.

Integrating Medicare and Medicaid for Dual Eligible Individuals 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.

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.