



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

May 13, 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

Health Center Outreach and Enrollment Assistance Fiscal Year 2013 Supplemental Funding, §10503. Announced May 9, 2013. Supplemental funding is available to support community health centers by: expanding current outreach and enrollment assistance activities and facilitating enrollment of eligible health center patients and service area residents into affordable health insurance coverage through the Health Insurance Marketplaces, Medicaid, or the Children's Health Insurance Program. Organizations receiving specific HRSA Health Center Program operational funds at the time of application are eligible to apply for FY 2013 supplemental funding. HRSA will award approximately \$150 million under this funding opportunity through formula-based supplemental awards to eligible previously funded health centers.

35 awards are expected to be made in Massachusetts. View the list of eligible health centers and their likely funding awards at: HRSA.Gov

Applications are due May 31, 2013.

The announcement can be viewed at:

<http://bphc.hrsa.gov/outreachandenrollment/hrsa-13-279.pdf>

Grants to States to Support Health Insurance Rate Review and Increase

Transparency in Health Care Pricing, Cycle III, §1003. Announced May 8, 2013. Funding is available to states to strengthen their health insurance rate review programs. This funding opportunity follows two previous rounds of rate review grants awarded to states that began in 2011. Cycle III funds will also support data centers that increase transparency in health care pricing. The 50 states, the District of Columbia and the five U.S. territories are eligible to apply. Data centers must be academic institutions or other non-profit organizations, and states may partner with existing data centers or establish new ones. Data centers collect, analyze, and publish health pricing and medical claims reimbursement data. \$87M in 57 awards is available. A mandatory letter of intent to apply is due June 17, 2013. Applications are due August 1, 2013. The announcement can be viewed at: Grantsolutions.Gov

The [rate review program](#) under §1003 requires that insurers seeking rate increases of 10% or more for non-grandfathered plans in the individual and small group markets publicly and clearly disclose the proposed increases and the justification for them. Such increases are reviewed by either state or federal experts (in states that do not have a rate review program deemed effective by HHS) to determine whether they are unreasonable. Although the ACA does not grant HHS the authority to block a proposed rate increase, companies whose rates have been determined unreasonable must either reduce their rate hikes or post a justification on their website within 10 days of the rate review determination. CMS determined that both the individual and small-group markets in Massachusetts meet standards under §1003 and that the Commonwealth does have an effective rate review process.

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

5/8/13 DOL/EBSA released Technical Release 2013-02 which provides detailed instructions to employers about the notices that employers are required to give their employees regarding their health insurance coverage options under the ACA. ACA §1512 creates a new Fair Labor Standards Act (FLSA) section 18B requiring a notice to employees of coverage options available through the Health Insurance Exchange.

This Technical Release provides temporary guidance regarding the notice requirement under FLSA section 18B and announces the availability of the Model Notice to Employees of Coverage Options. This Technical Release also provides an updated model election notice for group health plans for purposes of COBRA continuation coverage (provisions under Title X of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) to include additional information regarding health coverage alternatives offered through the Exchange.

Read the Model Notice for employers who offer a health plan to some or all employees at:

<http://www.dol.gov/ebsa/pdf/FLSAwithplans.pdf>

Read the Model Notice for employers who do not offer a health plan at:

<http://www.dol.gov/ebsa/pdf/FLSAwithoutplans.pdf>

Read the COBRA Model Election Notice at: <http://www.dol.gov/ebsa/modelectionnotice.doc>

Read Technical Release 2013-02 at:

<http://www.dol.gov/ebsa/newsroom/tr13-02.html>

5/2/13 CMS issued a proposed rule called "Medicare Programs: Inpatient Rehabilitation Facility Prospective Payment System for Federal Fiscal Year 2014."

The rule implements portions of the following sections of the ACA: 3004(b), 3401(d), 3401(p) and 10319.

The proposed rule outlines proposed fiscal year (FY) 2014 Medicare payment policies and rates for the inpatient rehabilitation facilities (IRFs) Prospective Payment System (PPS). The rule also updates and changes the IRF Quality Reporting Program (QRP). Updates include: revisions to the list of diagnosis codes used to determine presumptive compliance, updates to the IRF facility-level adjustment factors, revisions to sections of the Inpatient Rehabilitation Facility-Patient Assessment Instrument, revisions to the requirements for acute care hospitals that have IRF units and updates to the quality measures and reporting requirements under the IRF quality reporting program.

Comments are due July 1, 2013.

Read the CMS fact sheet about proposed FY 2014 payment and policy changes for Medicare inpatient rehabilitation facilities at: [CMS.Gov](http://www.cms.gov)

Read the proposed rule (which was published in the Federal Register on May 8, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-05-08/pdf/2013-10755.pdf>

4/29/13 CMS issued a proposed rule called "Medicare Program; FY 2014 Hospice Wage Index and Payment Rate Update; Hospice Quality Reporting Requirements; and Updates on Payment Reform." The rule implements portions of the following sections of the ACA: 3003, 3008, 3025, 3132 (a), 3313, 3401(f), 10309 and 10322(a).

The proposed rule updates fiscal year (FY) 2014 Medicare payment rates and the wage index for hospices serving Medicare beneficiaries. According to CMS, the proposed rule reflects ongoing agency efforts to support beneficiary access to hospice. Specifically, the rule updates the hospice payment rates and the wage index for fiscal year (FY) 2014, and continues the phase-out of the wage index budget neutrality adjustment factor (BNAF). The total BNAF reduction in FY 2014 will be 70%. The BNAF phase-out will continue with successive 15% reductions in FY 2015 and FY 2016. This proposed rule would also clarify how hospices are to report diagnoses on hospice claims, and proposes changes in the requirements for the hospice quality reporting program.

Comments are due June 28, 2013.

Read the CMS fact sheet about updates to the wage index and payment rates for the Medicare hospice benefit at: [CMS.Gov](http://www.cms.gov)

Read the proposed rule (which was published in the Federal Register on May 10, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-05-10/pdf/2013-10389.pdf>

4/28/13 HHS/CMS issued a proposed rule called "Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Proposed Fiscal Year 2014 Rates; Quality Reporting Requirements for Specific Providers; Hospital Conditions of Participation." The rule implements portions of the following sections of the ACA: 3008, 3025, 3313, 3401(f), 10309, 10322(a).

The proposed rule updates Medicare payment policies and rates for inpatient stays to general acute care hospitals paid under the Inpatient Prospective Payment System (IPPS) and long-term care hospitals (LTCHs) paid under the LTCH Prospective Payment System (PPS) for

FY2014. In addition to the annual Medicare hospital payment policy updates, the rule establishes new requirements or revised requirements for quality reporting by specific providers (acute care hospitals, PPS-exempt cancer hospitals, LTCHs, and inpatient psychiatric facilities (IPFs)) that are participating in Medicare. The rule also updates policies under the Hospital Value-Based Purchasing (VBP) Program and the Hospital Readmissions Reduction Program. The proposed changes would be applicable to discharges occurring on or after October 1, 2013, unless otherwise specified in the rule.

Comments are due July 25, 2013.

Read the CMS fact sheet about the changes for inpatient stays in acute-care hospitals and long-term care hospitals at: [CMS.Gov](#)

Read the CMS fact sheet about proposals to improve quality of care during hospital inpatient stays at: [CMS.Gov](#)

Read the proposed rule (which was published in the Federal Register on May 10, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-05-10/pdf/2013-10234.pdf>

Prior guidance can be viewed at: www.healthcare.gov

News

5/7/13 The Patient-Centered Outcomes Research Institute (PCORI) has approved funding for 51 new pilot projects, totaling \$88.6 million, to study patient-centered comparative clinical effectiveness research (CER) under the first four areas of the organization's [National Priorities for Research and Research Agenda](#). Created under ACA §6301, PCORI is an independent nonprofit organization, tasked with conducting patient-centered outcomes research, that has already begun to award millions of dollars in federal funds for studies.

The projects were selected from more than 400 applications and address common diseases and conditions, including studies on how best to care for people with kidney disease, certain cancers, obesity, asthma, diabetes, and various mental health conditions. Other projects will investigate methods to support patient decision-making, reduce specific health disparities, and improve health care delivery systems. With this announcement, PCORI has awarded over \$129 million to projects addressing its research priorities and committed another \$30 million to a series of pilot projects.

Learn more about the 51 new projects at: [PCORI.Org](#)

For more information about PCORI funding opportunities, visit:

www.pcori.org/funding-opportunities.

For more information about PCORI, visit www.pcori.org

EOHHS News

MassHealth Section 1115 Demonstration Amendment

EOHHS plans to submit a request to amend the MassHealth Section 1115 Demonstration to the Centers for Medicare and Medicaid Services (CMS) on May 31, 2013. The MassHealth Section 1115 Demonstration provides federal authority for Massachusetts to expand eligibility to individuals who are not otherwise Medicaid or CHIP eligible, offer services that are not typically covered by Medicaid, and use innovative service delivery systems that improve care, increase efficiency, and reduce costs.

The Demonstration amendment request outlines the specific authorities being requested from CMS to implement changes consistent with the Affordable Care Act (ACA), affecting eligibility, benefits, programs and delivery systems, as well as changes to expenditure authorities under the Demonstration. An attachment to the Amendment is a Transition Plan that explains in additional detail how the State plans to coordinate the transition of individuals enrolled in the Demonstration to a new coverage option available under the ACA without interruption in coverage to the maximum extent possible.

The proposed Amendment will be discussed at the Quarterly Affordable Care Act Implementation Stakeholder Meeting on May 17, 2013 (meeting details below).

The proposed Amendment and Transition Plan and additional relevant information are available at: Mass.Gov

Written comments must be received by EOHHS by 5 pm, May 30, 2013.

Comments may be sent to: anna.dunbar-hester@state.ma.us, or mailed to:
EOHHS, Office of Medicaid
Attn: Anna Dunbar-Hester
One Ashburton Place, 11th Floor
Boston, MA 02108

Upcoming Events

Integrating Medicare and Medicaid for Dual Eligible Individuals Open Meeting

May 17, 2013
1:00 PM - 3:00 PM
State Transportation Building
10 Park Plaza
Boston, MA

*Note the meeting time has been changed.

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.

Quarterly Affordable Care Act Implementation Stakeholder Meeting

May 17, 2013
3:00 PM - 4:00 PM
Public Health Council Conference Room
250 Washington Street, 2nd Floor
Boston, MA

*The Massachusetts Section 1115 Demonstration Amendment will be a topic at this meeting.

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

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