



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

July 1, 2013

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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

Treatment Options for Uncontrolled Asthma, §6301. Announced June 18, 2013. Funding is available from the Patient-Centered Outcomes Research Institute (PCORI) for comparative effectiveness research (CER) that focuses on reducing adverse outcomes due to poorly controlled asthma in African-Americans and Hispanic/Latino individuals and other specific minority populations disproportionately affected by uncontrolled asthma. Funds will be awarded to studies that evaluate comprehensive and coordinated approaches to reducing poor health and other complications related to uncontrolled asthma and improving outcomes that matter most to patients. Private-sector organizations, research organizations; universities; colleges; hospitals laboratories; healthcare systems; and state and local governments are eligible to apply.

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. \$17 million is available to fund projects under this opportunity.

Mandatory Letters of Intent must be submitted by August 1, 2013.

Applications are due September 18, 2013.

The announcement can be viewed at: <http://www.pcori.org/assets/2013/06/PCORI-Asthma->

[PFA-061813.pdf](#)

Pipeline to Proposal Awards Initiative: Inaugurating PCORI's Engagement Awards Program, §6301. Announced June 17, 2013. Funding is available for five organizations to become Intermediate Funders who will each manage up to 10 pipeline awards as a part of PCORI's Engagement Award Program. US healthcare entities recognized by the IRS that have experience with grants and contract management and experience in providing training are eligible to apply. In addition, entities should have broad experience and not limited to a specific disease type or demographic group. Eligible entities may include state agencies. Intermediate Funders will oversee 10 pipeline awards totaling \$150,000 for the project period. In addition, intermediate funders will provide training, contract administration and technical assistance to pipeline awardees. The Intermediate Funders will also perform post-award contract administration and accounting. The Engagement Award Program seeks to increase the involvement of patient, stakeholder and research communities in patient-centered research. Funding will be available to cover administrative fees.

Applications are due July 15, 2013.

The announcement can be viewed at: [PCORI.org](#)

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

6/26/13 HHS/CMS issued a final rule called "Patient Protection and Affordable Care Act; Exchange Functions: Eligibility for Exemptions; Miscellaneous Minimum Essential Coverage Provisions." The final rule implements certain functions of the Affordable Insurance Exchanges and portions of the ACA's individual shared responsibility provision, including determining eligibility for and granting certificates of exemption from the individual shared responsibility payment.

The individual shared responsibility provision requires individuals to have basic health insurance coverage (known as [minimum essential coverage](#), §1501) qualify for an exemption, or make a shared responsibility payment when filing their 2014 federal income tax return. The requirement applies to adults, children (as tax dependents), seniors (most of whom will meet the coverage requirement through Medicare), and lawfully present immigrants.

In addition, according to the rule, certain coverage will be designated as minimum essential coverage by the Secretary, and the rule outlines substantive and procedural requirements that other types of individual coverage must fulfill to be recognized as minimum essential coverage.

According to the final rule, individuals will not have to make a payment if coverage is unaffordable, if their household income is below the tax filing threshold, or if they qualify for an exemption for several other reasons, including hardship, religious beliefs, and individuals with a coverage gap of less than three consecutive months. Members of federally recognized Indian tribes and their dependents (as well as those of Native American descent who receive services through an Indian health care provider) are also exempt. 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). According to the Congressional Budget Office, less than 2% of Americans will be required to make a shared responsibility payment.

Read the CMS/CCIIO Guidance on Hardship Exemption Criteria and Special Enrollment Periods at: [CMS.Gov](http://www.cms.gov)

Read the proposed rule (which was published in the Federal Register on February 1, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-02-01/pdf/2013-02139.pdf>

Read the final rule (which was published in the Federal Register on July 1, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-07-01/pdf/2013-15530.pdf>

6/26/13 IRS/Treasury issued Notice 2013-41, "Eligibility for Minimum Essential Coverage for Purposes of the Premium Tax Credit."

The notice provides guidance on whether or when, for purposes of the premium tax credits under §1401, §1411, an individual is eligible for minimum essential coverage under certain government-sponsored health programs or other coverage designated as minimum essential coverage. For example, according to IRS/Treasury, an individual who has applied to the Children's Health Insurance Program but faces a waiting period may receive a premium tax credit during that waiting period.

Read Notice 2013-41 at: <http://www.irs.gov/pub/irs-drop/n-13-41.pdf>

6/26/13 IRS/Treasury issued Notice 2013-42, "Transition Relief for Employees and Related Individuals Eligible to Enroll in Eligible Employer-Sponsored Health Plans for Non-Calendar Plan Years that Begin in 2013 and End in 2014."

The notice provides an exemption for specified individuals whose companies offer certain eligible employer-sponsored health plans with a plan year that is different than the calendar year. Under this exception, employees and dependents in this situation are exempt from the shared responsibility payment until a new plan year begins in 2014.

Read Notice 2013-42 at: <http://www.irs.gov/pub/irs-drop/n-13-42.pdf>

6/27/13 HHS/CMS issued a correction to 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 correction fixes technical and typographical errors in the [proposed rule](#) which implements portions of the following sections of the ACA: 3008, 3025, 3313, 3401(f), 10309, 10322(a).

The proposed rule (which was published in the Federal Register on May 10, 2013) 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.

Read the correction at: <http://www.gpo.gov/fdsys/pkg/FR-2013-06-27/pdf/2013-15321.pdf>

Prior guidance can be found at: <http://www.hhs.gov/healthcare/index.html>

News

6/25/13 The U.S. Preventive Services Task Force (USPSTF) issued a final recommendation statement on screening for hepatitis C virus (HCV) infection in adults. The statement recommends HCV screening for adults at high risk of infection, including those with any history of intravenous drug use and people who received blood transfusions prior to 1992. In addition, the task force recommended that health care providers offer one-time screening for the infection in all adults born between 1945 and 1965.

The USPSTF is an independent panel of non-federal government experts that conduct reviews of scientific evidence of preventive health care services. The USPSTF then develops and publishes recommendations for primary care clinicians and health systems in the form of recommendation statements. As part of their recommendations process, the USPSTF will assign definitions to the services they review based on the certainty that a patient will receive a substantial benefit from receiving the benefit. Services that are graded "A" and "B" are highly recommended and the USPSTF believes there is a high certainty that patient will receive a substantial or moderate benefit.

Under ACA §1001, all of the recommended services receiving grades of "A" or "B" must be provided without cost-sharing when delivered by an in-network health insurance provider in the plan years (or, in the individual market, policy years) that begin on or after September 23, 2010. The USPSTF has assigned a "B" rating to both recommendations for HCV screening in adults.

Read the news bulletin on the final recommendation at:

<http://www.uspreventiveservicestaskforce.org/bulletins/hepcbulletin.pdf>

Read the final recommendation at:

<http://www.uspreventiveservicestaskforce.org/uspstf12/hepc/hepcfinalrs.htm>

Learn more about preventive services covered under the ACA

at: <http://www.hhs.gov/healthcare/facts/factsheets/2010/07/preventive-services-list.html>

Learn more about the USPSTF at: <http://www.uspreventiveservicestaskforce.org/>

6/24/2013 HHS announced the launch of new educational tools related to the National Health Insurance Marketplace (Exchange). Moving forward the HealthCare.gov website will be consumer-driven and allow consumers nationwide to learn about the benefits and health insurance options under the ACA. The website will be accessible from computers, smart-phones and other devices. In addition, the website will include the integration of social media and include web chat functionality for consumers to obtain additional information. Spanish speaking consumers will be able to access the same information on CuidadoDeSalud.gov.

Visit the new website at: HealthCare.gov

For more information, view the press release:

<http://www.hhs.gov/news/press/2013pres/06/20130624a.html>

The content previously found on HealthCare.gov can be found at:

<http://www.hhs.gov/healthcare/index.html>

6/20/13 HHS announced that insurance companies will provide 8.5 million Americans with \$500 million in rebates this summer due to the ACA's medical loss ratio (MLR) requirements. According to HHS' national estimates, rebates will be an average of \$100 for each eligible family. Data released by HHS shows that, in Massachusetts, 173,454 consumers will receive an average rebate per family of \$457.

The ACA's MLR rules establish the minimum dollar percentage that health insurance companies must spend of consumers' health insurance premiums on medical care, not on income,

overhead or marketing. Starting with the 2011 reporting year, the ACA required insurance companies in the individual and small group markets to spend at least 80% of collected premium dollars on medical care and quality improvement activities; insurance companies in the large group market are required to spend at least 85%. Insurance companies must report their MLR data to HHS on an annual basis so that residents of every state will have information on the value of the health plans offered by insurance companies in their state. Under §10101, insurance companies that do not meet the MLR standard are required to provide rebates to their consumers. Rebates must be paid by August 1st each year and insurers distributed the first round of rebates to consumers in 2012.

Consumers owed a rebate will receive the rebate in one of the following ways: a rebate check in the mail; a lump-sum reimbursement to the same account that they used to pay the premium if by credit card or debit card; a reduction in their future premiums; or their employer providing one of the above, or applying the rebate in a manner that benefits its employees.

For a detailed breakdown of the rebates by State and by market, visit:

<http://www.cms.gov/CCIIO/Resources/Data-Resources/mlr.html>

Read the report at: <http://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources/Downloads/2012-medical-loss-ratio-report.pdf>

Read the final MLR rule at: <http://www.gpo.gov/fdsys/pkg/FR-2012-05-16/pdf/2012-11753.pdf>

EOHHS News

Integrating Medicare and Medicaid for Dual Eligible Individuals Update

MassHealth and CMS are pleased to announce that three plans are moving into the final phase of readiness review and contracting for One Care: MassHealth plus Medicare. Commonwealth Care Alliance, Fallon Total Care, and Network Health have completed their submissions for the desk review and provider networks, and are preparing for the final site visit components of the readiness review. The desk review and the plans' provider network analysis are currently in process. We have finalized the 2013 capitated payment rates and will begin systems testing with all plans the second week in July.

We continue to work toward a One Care start date of October 1, beginning with a period of self-selected enrollment. The first wave of auto-assignment is tentatively scheduled to take effect on January 1, 2014.

MassHealth will be kicking off a broad public awareness and outreach effort in mid-July to ensure that consumers, their families, providers, and other community-based organizations are informed about One Care and prepared for the enrollment process this fall.

We look forward to One Care becoming a reality, in partnership with a solid group of plans that will ensure access to enhanced care coordination and quality for MassHealth members.

Learn more about One Care at:

<http://www.mass.gov/masshealth/duals>

Request for Information: Massachusetts Health Homes Initiative

On June 7, 2013, The Commonwealth of Massachusetts Executive Office of Health and Human Services (EOHHS) issued a Request for Information (RFI) to elicit information from interested parties on the design and implementation of the Health Homes initiative under ACA §2703. Interested parties include behavioral health and primary care providers, professional organizations, managed care organizations, academicians, and advocates. EOHHS is particularly interested in hearing from behavioral health and primary care providers regarding any programmatic and operational features that EOHHS should consider incorporating into the

program's design.

The RFI is posted on the state procurement website Comm-PASS (www.comm-pass.com) under the Document Number 13MEEHSMHEALTHHOMESRFI. **Responses to the RFI will be due to EOHHS by 3:00 PM (EDT), July 12, 2013.**

Upcoming Events

Integrating Medicare and Medicaid for Dual Eligible Individuals Implementation Council Meeting

July 12, 2013

1:00 PM - 3:00 PM

State Transportation Building, Conference Rooms 1, 2 and 3

10 Park Plaza

Boston, MA

Reasonable accommodations are available upon request. Please contact Kate Russell at Kate.Russell@umassmed.edu to request accommodations.

Quarterly Affordable Care Act Implementation Stakeholder Meeting

September 16, 2013

1:30 PM - 2:30 PM

1 Ashburton Place, 21st Floor

Boston, MA

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.