



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

July 22, 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

Planning and Demonstration Grant for Testing Experience and Functional Tools in Community-Based Long Term Services and Supports (TEFT), §2701. Announced June 28, 2013. Funding is available to states to begin collecting and reporting on adult core measures for use in Community-Based Long Term Services and Supports (CB-LTSS). State Medicaid Programs are eligible to apply. Grantees will use the funding to: test and evaluate new measures of functional capacity and individual experience for populations receiving CB-LTSS; and identify and implement the use of health information technology and electronic Long Term Services and Support standards. Through this grant program, CMS will identify and establish adult health quality measures for Medicaid beneficiaries as directed under ACA §2701. 15-20 planning grants of \$500,000 each are available.

Notices of intent are due August 19, 2013 and applications are due October 3, 2013.

The announcement can be viewed at: GrantsSolutions.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

7/12/13 The HHS issued a final rule called "Patient Protection and Affordable Care Act; Exchange Functions: Standards for Navigators and Non-Navigator Assistance Personnel; Consumer Assistance Tools and Programs of an Exchange and Certified Application Counselors." The final rule details standards for Navigators and non-Navigator assistance personnel in Federally-facilitated and State Partnership Exchanges. It also sets standards for Non-Navigator assistance personnel in a State Exchange are funded through federal Exchange Establishment grants and certified application counselors in the Exchange. The final rule builds on a [proposed rule](#) about certified application counselors in Exchanges published on January 22, 2013 and a [proposed rule](#) about Navigators and non-Navigator assistance personnel in Exchanges published on April 5, 2013.

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. §1311(d) and §1311(i) also direct all Exchanges to award grants to Navigators that will provide unbiased information to consumers about health insurance, the Exchange, QHPs, and insurance affordability programs including premium tax credits, Medicaid and the Children's Health Insurance Program (CHIP). The Navigator program will provide outreach and education efforts and assistance applying for health insurance coverage. If states choose not to run either a State-Based Exchange or a State-Federal Partnership Exchange, HHS will operate a Federally-facilitated Exchange (§1321).

The final regulations create conflict-of-interest, training and certification, and meaningful access standards applicable to Navigators and non-Navigator assistance personnel in Federally-facilitated Exchanges, including State Partnership Exchanges, and to non-Navigator assistance personnel in State-based Exchanges that are funded through federal Exchange Establishment grants. It finalizes the requirement that Exchanges must have a certified application counselor program. The final rule clarifies that entities with relationships to issuers of stop loss insurance are ineligible to become Navigators and clarifies that the same ineligibility criteria that apply to Navigators apply to certain non-Navigator assistance personnel.

Read the final rule (which was published in the Federal Register on July 17, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-07-17/pdf/2013-17125.pdf>

7/8/13 HHS/CMS issued a proposed rule called "Medicare and Medicaid Programs: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs; Hospital Value-Based Purchasing Program; Organ Procurement Organizations; Quality Improvement Organizations; Electronic Health Records (EHR) Incentive Program; Provider Reimbursement Determinations and Appeals." The rule implements portions the following ACA sections: 3001, 3006, 3014, 3138, 3401, 4104, 10301 and 10324.

The proposed rule revises and updates the Medicare hospital outpatient prospective payment system (OPPS) and the Medicare ambulatory surgical center (ASC) payment system for CY 2014. According to HHS, the rule updates and streamlines programs that encourage high-quality care in these outpatient settings consistent with policies included in the ACA.

The rule describes the proposed changes to the amounts and factors used to determine the payment rates for Medicare services paid under the OPPS and those paid under the ASC payment system. In addition, the rule updates and refines the requirements for the Hospital Outpatient Quality Reporting (OQR) Program, the ASC Quality Reporting (ASCQR) Program, and the Hospital Value-Based Purchasing (VBP) Program. The rule also details revisions to the

Quality Improvement Organization (QIO) regulations; changes to the Medicare fee-for-service Electronic Health Record (EHR) Incentive Program; and changes relating to provider reimbursement determinations and appeals.

Comments are due September 6, 2013.

Read the proposed rule (which was published in the Federal Register on July 19, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-07-19/pdf/2013-16555.pdf>

7/8/13 HHS/CMS issued a proposed rule called "Medicare Program; Revisions to Payment Policies under the Physician Fee Schedule, Clinical Laboratory Fee Schedule & Other Revisions to Part B for CY." The rule implements portions the following ACA sections: 3002, 3003, 3014, 3021, 3105, 3134, 4105, 10311, 10324 and 10331.

The proposed rule updates payment policies and payment rates for services furnished under the Medicare Physician Fee Schedule (PFS) on or after January 1, 2014. Currently, Medicare only pays for primary care management services as part of a face-to-face visit. According to CMS, in order to support primary care, the rule proposes to make a separate payment to physicians for managing select Medicare patients' care needs beginning in 2015. The rule also proposes changes to several of the quality reporting initiatives that are associated with PFS payments. The rule details the continued, phased-in implementation of the physician value-based payment modifier (Value Modifier), created by the ACA, that would affect payments to physician groups based on the quality and cost of care they furnish to beneficiaries enrolled in the traditional Medicare fee-for-service program.

Comments are due September 6, 2013.

Read the proposed rule (which was published in the Federal Register on July 19, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-07-19/pdf/2013-16547.pdf>

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

News

7/16/13 HHS announced that under the Pioneer ACO Program, a program authorized by §3021 of the ACA that helps to facilitate coordination among providers to improve the quality of care for Medicare beneficiaries, organizations were able to lower costs and improve health outcomes when compared to fee-for-service Medicare. In 2012, Medicare beneficiaries enrolled in Pioneer ACOs reported better clinical quality outcomes than fee-for-service Medicare beneficiaries where there was comparable data. In addition, in 2012, costs related to services provided to beneficiaries in Pioneer ACOs grew slower than other programs that provide services for Medicare beneficiaries.

ACOs are groups of doctors, hospitals, and other health care providers, who come together voluntarily to give coordinated high quality care to the Medicare patients they serve to help ensure that patients, especially the chronically ill, get appropriate care, with the goal of avoiding unnecessary duplication of services and preventing medical errors. When an ACO succeeds in both delivering high-quality care and spending health care dollars more wisely, it will share in the savings it achieves for the Medicare program. Medicare offers several ACO programs, including: 1) Medicare Shared Savings Program (for fee-for-service beneficiaries), 2) Advance Payment Model (for certain eligible providers already in or interested in the Medicare Shared Savings Program) and 3) Pioneer ACO Model (Health care organizations and providers already experienced in coordinating care for patients across care settings).

In 2013, approximately 50% of all ACOs are physician-led organizations that serve fewer than 10,000 beneficiaries. In addition, about 20% of all ACOs this year include community health centers, rural health centers and critical access hospitals that serve low-income and rural communities. To ensure that savings are achieved through improving and providing care that is appropriate, safe, and timely, an ACO must meet strict quality standards. CMS has established 33 quality measures relating to care coordination and patient safety, appropriate use of preventive health services, improved care for at-risk populations, and the patient and caregiver experience of care.

There are five ACOs in Massachusetts participating in the Pioneer ACO Model: Atrius Health, Beth Israel Deaconess Physician Organization, Mount Auburn Cambridge Independent Practice Association (MACIPIA), Partners Healthcare and Steward Health Care System.

More information on this announcement is available at: CMS.Gov

EOHHS News

Integrating Medicare and Medicaid for Dual Eligible Individuals

On July 16, 2013, MassHealth and CMS announced that we have signed contracts with three health plans to participate in One Care: MassHealth plus Medicare - Commonwealth Care Alliance (CCA), Fallon Total Care (FTC), and Network Health. We are excited to be working with these organizations. They have shown a high degree of collaboration, innovativeness, and commitment to serving our members under this new integrated model. They also have strong experience providing quality services to MassHealth members and persons with complex care needs:

- CCA; FTC's parent company, Fallon Community Health Plan (FCHP); and Network Health's parent company, Tufts Health Plan; all currently offer integrated Medicare and MassHealth plans to dual-eligible individuals age 65 and older through the Senior Care Options program.
- Network Health and FCHP have served thousands of MassHealth members with disabilities as MassHealth Managed Care Organizations.
- CCA received the highest rating from CMS in the last two years for quality and performance by a Medicare Advantage Special Needs Plan for people in Massachusetts aged 65 or over.
- FCHP and Network Health were ranked the #1 and #3 Medicaid health plans in the National Committee for Quality Assurance's (NCQA's) 2012-2013 Health Insurance Plan Rankings for Medicaid Plans.

Below is a chart of the plans' expected service areas for Demonstration Year 1. With this geographic coverage, more than 90,000 individuals will have one or more One Care plans servicing their area. The chart below shows which counties will have one, two or three One Care plans, as well as counties that do not currently have a plan. As previously stated, there will be auto-assignment only in counties with two or more plans serving the full county. Where there is only one plan in a county, that plan would receive self-selected enrollments only. One Care will not be offered in counties without a plan.

County	CCA	FTC	Network Health	Number of Plans	Auto Assignment?
Barnstable				0	
Berkshire				0	

Bristol				0	
Dukes				0	
Essex	X			1	N
Franklin	X			1	N
Hampden	X	X		2	Y
Hampshire	X	X		2	Y
Middlesex	X			1	N
Nantucket				0	
Norfolk	X			1	N
Plymouth	X (partial)			1	N
Suffolk	X		X	2	Y
Worcester	X	X	X	3	Y

The Readiness Review process is still ongoing. All plans will have to demonstrate full readiness, including adequate provider networks, in each county they wish to serve, before they will be permitted to accept enrollments. Based on our reviews to date, we are confident that we are on target to begin enrollments effective October 1.

Learn more about One Care at:

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

On July 12, 2013, EOHHS submitted comments to HHS/CMS on the proposed rule called "Medicaid Program; State Disproportionate Share Hospital Allotment Reductions." Currently, states make Medicaid Disproportionate Share Hospital (DSH) payments to hospitals that serve a disproportionate share of Medicaid and uninsured patients and have high levels of uncompensated care costs. At the same time as the ACA expands coverage that reduces levels of uncompensated care, it also reforms Medicaid DSH allotments to reflect anticipated changes in coverage. ACA §1203 requires aggregate reductions to state Medicaid DSH allotments annually from Federal Fiscal Year (FFY) 2014 through FFY 2020. The proposed rule delineates a methodology to implement the annual reductions for FFY 2014 and FFY 2015.

The comment period has closed but a link to the May 15, 2013 Federal Register notice containing the proposed rule can be read at: <http://www.gpo.gov/fdsys/pkg/FR-2013-01-22/pdf/2013-00659.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

Integrating Medicare and Medicaid for Dual Eligible Individuals Open Meeting

July 29, 2013

1:00 PM - 3:00 PM

State Transportation Building

10 Park Plaza

Boston, MA

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.