



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

September 3, 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 Activity

On August 14, 2013, The University of Massachusetts Medical School (UMMS), in partnership with the Executive Office of Elder Affairs, submitted a "Health Care Innovations Award Round Two" grant to HHS/CMS under ACA §3021.

If awarded, the project will establish an evidence-based service and payment model for home and community based services that includes: profiling consumers based on identified risk factors for skilled nursing facility (SNF) admission, avoidable hospitalization and emergency department visits; matching optimal services to consumer profiles; and establishing a bundled payment method that rewards Aging Services Access Points (ASAPs) for arranging for optimal services for consumers.

The proposal's title is "Risk Assessment & Adjustment for Elders (RARE): Development of a Prospective Risk-Based Payment Model for Home and Community Based Programs."

Read the project abstract at:

<http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/grants/130814-health-care-innovation-awards-round-two.pdf>

On August 15, 2013, The University of Massachusetts Medical School (UMMS), in partnership with the Department of Children and Families (DCF), submitted a

"Health Care Innovations Award Round Two" grant to HHS/CMS under ACA §3021. The proposal's title is "Medical Homes for Children in Foster Care in Massachusetts."

The funding will be used to address populations with specialized needs, and specifically children in foster care, a high cost pediatric population. Children in foster care are also at risk for dental disease and have higher incidence of serious behavioral health needs. The overall goal of the project is to improve access to and quality of care for children in foster care while reducing cost.

Specifically, the proposal's goals are to: 1) Establish 5 community-based Patient Centered Medical Homes (PCMH) for children in foster care in Massachusetts by April 2016; 2) Provide trauma-informed care and trauma-specific evaluation and treatment for all children in the PCMH and 3) Develop a standardized, consistent, electronic report of patient medical/dental/developmental/mental health data for each child in the PCMH that will be electronically transferrable to all Massachusetts child-serving agencies by April 2016.

Read the grant abstract at: <http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/grants/130826-health-care-innovation-awards-2.pdf>

On August 14, 2013, DPH, in collaboration with the Massachusetts Children's Trust Fund (CTF), submitted a "Health Care Innovation Awards Round Two" grant to HHS/CMS under ACA §3021. The proposal seeks to expand and enhance the delivery of evidence-based home visiting services to first-time parents aged 20 years and younger in Massachusetts and to provide in-home cognitive behavioral therapy to mothers with depression through the "Moving Beyond Depression" program. The proposal's title is "Massachusetts Home Visiting Service Delivery and Payment Innovations Program."

The proposed innovative payment and delivery model focuses on improving the health of populations - defined geographically, clinically, or by socioeconomic class - through activities focused on engaging beneficiaries, prevention, wellness, and comprehensive care that extend beyond the clinical service delivery setting.

The goals of the project are to expand the Massachusetts Home Visiting Program throughout the state with the "Moving Beyond Depression" component and with a sustainable funding mechanism that will be further developed during the proposed three year grant period.

Read the grant abstract at: <http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/grants/130814-health-care-innovation-awards.pdf>

On July 25, 2013, DPH was awarded a \$1,500,000 Pregnant and Parenting Teen Initiative grant under ACA §10211- 10214. Grant funding is available to develop and implement programs to improve the educational, health and social outcomes of expectant and parenting teens and their families.

The grant award will provide renewed funding for DPH's currently funded Pregnancy Assistance Fund program: the Massachusetts Pregnant and Parenting Teen Initiative (MPPTI). MPPTI will serve expectant and parenting youth aged 14-24 in high schools and community centers in the cities of Chelsea, Holyoke, Lawrence, New Bedford, and Springfield, with a specific focus on vulnerable youth under 20.

Direct services will be delivered by multidisciplinary teams at partner community-based organizations; these teams use a unique strengths-based, trauma-informed service model that has proven thus far to be highly successful in engaging and retaining both mothers and fathers, and helping guide them towards positive outcomes. Teams will be made

up of a program coordinator, case managers, an educational/employment liaison, a registered nurse, and a mental health provider. Service teams will support families with wraparound services including school and career counseling, medically accurate health education and care, reproductive health counseling, parenting skills and infant care training, and social/emotional support services.

Read the grant abstract at: <http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/grants/130409-pregnant-parenting-teen-initiative-abstract.pdf>

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](http://www.mass.gov)

Guidance

8/27/13 IRS/Treasury issued final regulations called "Shared Responsibility Payment for Not Maintaining Minimum Essential Coverage." The regulations contain guidance related to the ACA's individual shared responsibility provision, eligibility for individual exemptions from the provision, and how the amount of the tax payment will be calculated and collected when an individual must make the payment. The final regulations are effective on August 30, 2013 and broadly finalize the rules in the [notice of proposed rulemaking](#) published in the Federal Register on February 1, 2013.

Beginning in 2014, the individual shared responsibility provision requires each nonexempt individual to have basic health insurance coverage (known as [minimum essential coverage](#), or MEC, §1501), qualify for an exemption, or make a shared responsibility payment when filing their 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.

The final regulations clarify the rules around those categories of individuals who are either entirely exempt from the requirement to maintain MEC or who are exempt from the associated tax penalty. According to the final regulations, 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 final regulations also state that a taxpayer is treated as having coverage for a month so long as he or she has coverage for any one day of that month. The final regulations also provide 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.

Largely consistent with the February 1, 2013 proposed rules, the final regulations explain what types coverage is considered MEC. Generally, MEC includes government-sponsored coverage, employer-sponsored plans, individual coverage, grandfathered coverage, and other coverage designated as MEC by the HHS Secretary. MEC does not include certain specialized coverage. For example, state Medicaid programs that only provide pregnancy-related services for some pregnant women would not qualify as MEC. However, according to the IRS, the agency plans to issue future guidance excusing pregnant women with pregnancy-only coverage from the penalty for the months that they are covered in 2014.

The final regulations provide guidance on the liability for the shared responsibility payment for not maintaining MEC and reprise the statutory formula for calculating the penalty. According to the final regulations, the amount of the tax is the lesser of the applicable national average

bronze plan premium or the sum of the monthly payment amounts.

Read the final regulations (which were published in the Federal Register on August 30, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-08-30/pdf/2013-21157.pdf>

8/26/13 Treasury/IRS issued a notice of proposed rulemaking "Tax Credit for Employee Health Insurance Expenses of Small Employers." The proposed regulations provide guidance to certain small employers that offer health insurance to their employees on available tax credits added to the IRS tax code by ACA §1421. The proposed regulations generally incorporate the provisions of previous IRS guidance ([IRS Notice 2010-44](#) and [IRS Notice 2010-82](#)) and also include information on eligibility for the credit in 2014. For some small businesses and tax-exempt organizations, an enhanced version of the credit will be effective beginning January 1, 2014. The proposed regulations also provide additional information on the calculation of the tax credit and requirements for the purchase of insurance through an Exchange.

A small business health care tax credit is available under ACA §1421 to certain small employers that pay at least half of the cost of individual coverage for their employees. This federal credit is targeted to help those small businesses and tax-exempt organizations that primarily employ low and middle-income workers. The tax credit is available to both qualified employers who currently offer coverage and those that want to begin offering coverage and is meant to offset some of the costs associated with doing that. The eligibility rules refer to the number of full-time equivalent employees, not the number of employees; credits or partial credits are available to employers with 10 or fewer full-time equivalent employees.

In 2014, employers with up to 25 employees who provide health insurance and pay average annual wages below \$50,000 will be eligible for up to a 50% tax credit if they purchase health insurance coverage for their employees through an Exchange. For tax years 2010 through 2013, the maximum credit is 35% of premiums paid for small business employers and 25% of premiums paid for small tax-exempt employers.

Comments and requests for a public hearing are due by November 25, 2013.

Learn more about the tax credit at: [IRS.Gov](#)

Read the proposed regulations (which were published in the Federal Register on August 26, 2013) at: [GPO.Gov](#)

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

News

8/26/13 The U.S. Preventive Services Task Force (USPSTF) issued a final recommendation statement on interventions to prevent tobacco use among children and adolescents. The proposal recommends that primary care clinicians provide interventions, including education or brief counseling, to prevent initiation of tobacco use among school-aged children and adolescents.

According to the USPSTF, tobacco use is the leading cause of preventable death in the United States. In fact, tobacco use also can lead to tobacco-related illnesses, such as cancers, cardiovascular diseases, and respiratory conditions. The USPSTF found adequate evidence that behavioral counseling interventions, including both face-to-face and phone interaction with a health care provider, as well as the use of print materials and computer applications, can reduce the risk of smoking initiation in school-aged children and adolescents. The USPSTF

assigned a "B" rating for interventions to prevent tobacco use among children and adolescents; the "B" rating indicates that the USPSTF recommends the service.

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. Because the final recommendation on tobacco interventions received a "B" rating, the interventions, including education and counseling, will be required to be covered without cost-sharing under the ACA.

Read the final recommendation statement at:

<http://www.uspreventiveservicestaskforce.org/uspstf12/tobacco/tbacfinalrs.htm>

Learn more about preventive services covered under the ACA at: [HHS.Gov](http://www.HHS.Gov)

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

Commonwealth of MA News

MassHealth Section 1115 Demonstration Extension

EOHHS plans to submit a request to extend the MassHealth Section 1115 Demonstration to the Centers for Medicare and Medicaid Services (CMS) on September 30, 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 Extension Request outlines the specific authorities being requested from CMS from July 1, 2014 to June 30, 2019 to sustain and improve upon the gains in coverage, affordability and access to health care achieved to date under the Demonstration. Consistent with Chapter 224 and the Affordable Care Act, the next phase of the Demonstration focuses on cost containment and delivery system reforms. This request will affect eligibility, benefits, payment methodologies and delivery systems, as well as changes to expenditure authorities under the Demonstration.

The proposed Extension and additional relevant information are available at: [Mass.Gov](http://www.Mass.Gov)

Written comments must be received by EOHHS by 5 pm, September 19, 2013.

Comments may be sent to: laxmi.tierney@state.ma.us, or mailed to:
EOHHS, Office of Medicaid
Attn: Laxmi Tierney
One Ashburton Place, 11th Floor
Boston, MA 02108

Upcoming Events

Quarterly Affordable Care Act Implementation Stakeholder Meeting

September 16, 2013

1:30 PM - 2:30 PM

1 Ashburton Place, 21st Floor

Boston, MA

Integrating Medicare and Medicaid for Dual Eligible Individuals Implementation Council Meeting

September 20, 2013

1:00 PM - 3:00 PM

State Transportation Building, Conference Rooms 1, 2, and 3

10 Park Plaza

Boston, MA 02116

A meeting agenda and any meeting material will be distributed prior to the meeting.

MBTA and driving and public transit directions are located here: [Directions](#)

Reasonable accommodations are available upon request. Please contact Donna Kymalainen at Donna.Kymalainen@umassmed.edu to request accommodations.

State Forums for Employers on Federal Health Reform

The Health Connector and Associated Industries of Massachusetts (AIM) are teaming up by holding events for employers to hear from and speak with executives from key regulatory agencies on National Health Reform and its implementation in the Commonwealth. AIM's in-house experts will discuss day-to-day management, timelines, compliance and administrative implications for the employer community.

September 9, 2013 | Delaney House, 1 Country Club Rd., Holyoke

September 11, 2013 | Taunton Holiday Inn, 700 Miles Standish Blvd., Taunton

September 13, 2013 | Holiday Inn, 1 Newbury St., Peabody

September 16, 2013 | UMass Medical School Faculty Conference Room, 55 N. Lake Ave., Worcester

September 17, 2013 | Berkshire Community College, Boland Theater, 1350 West St., Pittsfield

September 18, 2013 | Dedham Holiday Inn, 55 Ariadne Rd., Dedham

September 20, 2013 | Cape Codder, 1225 Iyannough Rd., Hyannis

All programs take place from 9:00 AM -11:00 AM. Check-in is at 8:30 AM. There is no fee to attend these events, however, registration is required. To register, visit:

www.aimnet.org/thesolution

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.