



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

February 10, 2014

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

ACA Centered Medical Home - Facility Improvements (P-FI) Grant Program, §10503. Announced February 3, 2014. Funding is available to help support renovation projects in health centers that will improve patient access to services and quality of care using the Patient Centered Medical Home model of care. Proposed renovation projects must improve or modernize the accessibility and safety of the facility. Applicants must be an existing health center receiving Health Center Program operational support. \$35,000,000 in total for 150 to 175 awards available.

Applications are due March 14, 2014.

Supplemental information is due April 17, 2014.

The announcement may be viewed at:

<https://grants.hrsa.gov/webExternal/SFO.asp?ID=7613292a-01cd-4f5b-b3b3-ef136382deec>

Mental Health Service Expansion - Behavioral Health Integration (BHI), §10503. Announced January 31, 2014. Funding is available to increase the coordination of primary and behavioral health care services (both substance use and mental health disorders treatment) at previously funded health centers. In addition to expanding access to behavioral health services, this funding opportunity will increase the number of health centers with integrated primary care and behavioral health models of care. Certain grantees funded under HRSA's Health Center Program are eligible. Applicants must propose a plan to meet the behavioral health needs in

their communities or target populations that will increase access to comprehensive and culturally-competent fully-integrated primary care and behavioral health services. \$50,000,000 in total for 200 awards available.

Applications are due March 3, 2014.

Supplemental information is due April 3, 2014.

The announcement may be viewed at: HRSA.Gov

Frontier Community Health Integration Project Demonstration, §3126. Announced February 3, 2014. The demonstration authorizes three-year projects which will test new models of integrated, coordinated health care in the most sparsely-populated rural counties with the goal of improving health outcomes, enhancing beneficiary access to care and reducing Medicare expenditures. Community health integration models should better integrate the delivery of acute care, extended care and other health care services. Specifically, applicants must demonstrate that they will meet community health needs in the areas of telemedicine, nursing facility care, home health services and ambulance services.

Eligible entities are critical access hospitals (CAHs) in Alaska, Montana, Nevada, North Dakota, and Wyoming that receive funding through the Rural Hospital Flexibility Program. CMS will select participants for the Demonstration from no more than four states. Although CAHs often serve as the center of healthcare activities in rural communities, they often serve few inpatients.

According to CMS, through the Demonstration, the agency expects CAHs to increase access to services that are often unavailable in such areas in order to avoid expensive transfers to hospitals in larger communities. CMS will evaluate whether providing these services in rural communities can improve the quality of care received by Medicare beneficiaries and decrease Medicare costs.

Applications are due May 5, 2014.

Read the notice at: <http://www.gpo.gov/fdsys/pkg/FR-2014-02-04/pdf/2014-02062.pdf>

Learn more at:

<http://innovation.cms.gov/initiatives/Frontier-Community-Health-Integration-Project-Demonstration/>

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

1/31/14 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on the on the revision of information collection activities related to the annual medical loss ratio (MLR) and rebate calculation report and MLR rebate notices under ACA §10101.

The ACA's MLR rules establish the minimum dollar percentage that health insurance companies must spend of consumers' health insurance premiums on medical care and quality improvement activities, rather than on salaries, 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%. Under the MLR rules, 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 made the first round of rebates to consumers in 2012. Insurance companies must report their MLR data (including information about any rebates it must provide, on an HHS form, for each state in which the issuer conducts business) to HHS on an annual basis. According to HHS, the data will allow residents of every state to have information about the value of the health plans offered by insurance companies in their state.

Based on past experience with MLR data collection and the evaluation process, HHS is updating the agency's projections regarding the numbers of submissions, rebates, and rebate notices.

Comments are due March 5, 2014.

<http://www.gpo.gov/fdsys/pkg/FR-2014-01-31/pdf/2014-02061.pdf> (see item #1)

1/31/14 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on proposed information collection activities related to the State-based Health Insurance Marketplace (or Exchange) Annual Reporting Tool (SMART).

According to CMS, the annual report is the chief tool to insure compliance with all reporting requirements contained in the ACA. Specifically, §1313(a)(1) requires a State-based Health Insurance Marketplace (SBM) to preserve an accurate accounting of all activities, receipts, and expenditures, and to submit a report annually to the HHS Secretary concerning such accounting. HHS will use the information collected from states to determine if a state is maintaining a compliant and operational Exchange and provide HHS with any information regarding known or potential changes in an SBM's priorities and approaches for the upcoming year.

The ACA established Affordable Insurance Exchanges (§1311(b)) to provide individuals and small business employees with access to health insurance coverage beginning in 2014, where low and moderate income Americans may be eligible for premium tax credits (§1401, §1411) to make purchasing a health plan more affordable by reducing out-of-pocket premium costs. 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).

Comments are due March 5, 2014.

<http://www.gpo.gov/fdsys/pkg/FR-2014-01-31/pdf/2014-02061.pdf> (see item #2)

1/31/14 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on the extension of information collection activities related to a payment collections operations contingency plan. According to CMS, the data collection will be used by HHS to make payments or collect charges from health insurance issuers under the following ACA programs: advance payments of the premium tax credit, advanced cost-sharing reductions, and Marketplace (Exchange) user fees. A template will be used to make payments in January 2014 and as may be required based on HHS's operational progress.

Beginning October 1, 2013, qualified individuals and qualified employees could purchase private health insurance coverage through Exchanges (Marketplaces) for January 1, 2014 effective dates. 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. Furthermore, an Exchange makes an advance determination of tax credit eligibility for individuals who enroll in a qualified health plan (QHP) through the Exchange and pursue

financial assistance (§1401, 1411, and 1412). QHPs are health plans that have been certified by an Exchange, provide essential health benefits (EHB, §1301) and follow established limits on cost-sharing (such as reduced deductibles, copayments, and out-of-pocket maximum amounts).

Using information available at the time of an individual applicant's enrollment, the Exchange determines whether the individual meets income and other requirements for advance payments and the amount of the advance payments that can be used to pay premiums. Advance payments are made periodically to the issuer of the QHP in which the individual enrolls (§1412). §1402 provides for the reduction of cost sharing for certain individuals enrolled in a QHP through an Exchange and §1412 provides for the advance payment of these reductions to health insurance issuers. Moreover, the ACA directs the issuers to reduce EHB cost sharing for individuals with household incomes between 100% and 400% FPL who are enrolled in a silver level QHP through an individual market Exchange and who are eligible for advance payments of the premium tax credit.

Comments are due April 4, 2014.

Read the notice at: <http://www.gpo.gov/fdsys/pkg/FR-2014-01-31/pdf/2014-02065.pdf> (see item #1)

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

News

1/30/14 CMS released interim financial results for various initiatives that CMS is testing to improve the quality of health care delivery, while lowering costs through select Medicare Accountable Care Organization (ACO) programs. In an effort to reform the health care delivery system, ACOs are designed to achieve cost savings over several years. More than 360 ACOs, serving over 5.3 million Americans with Medicare, have been established since the passage of the ACA in 2010.

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 efficiently, it will share in the savings it achieves for the Medicare program. According to the CMS report, savings from the Medicare ACOs, including the established Pioneer ACOs, exceed \$380 million.

The Pioneer ACO model is designed for more experienced organizations prepared to take on greater financial risk. The CMS report shows that Pioneer ACOs, authorized by §3021, generated gross savings of \$147 million in their first year. These savings far exceed findings from a previous analysis conducted by CMS, which used a different methodology.

Another initiative authorized by §3021 is the Bundled Payments for Care Improvements initiative, which bundles payments for services that patients receive across a single episode of care, such as heart bypass surgery or a hip replacement. This is one way to encourage doctors, hospitals and other health care providers to work together to better coordinate care for patients, both when they are in the hospital and after they are discharged.

CMS also released financial outcomes for the Physician Group Practice Demonstration, which offers incentive payments for delivering high-quality, coordinated health care that generates Medicare savings. This report confirmed overall savings totaling over \$108 million over the 5 year experience with 7 out of 10 physician group practices earning shared savings payments

for improving the quality and cost efficiency .

To learn more about the Medicare Shared Savings Program visit:

<http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/index.html?redirect=/sharedsavingsprogram>

To learn more about Pioneer ACOs visit:

<http://innovation.cms.gov/initiatives/Pioneer-ACO-Model/index.html>

To learn more about the Bundled Payments for Care Improvement initiative visit:

<http://innovation.cms.gov/initiatives/bundled-payments>

To learn more about the Physician Group Practice Demonstration visit:

<http://www.cms.gov/Medicare/Demonstration-Projects/DemoProjectsEvalRpts/Medicare-Demonstrations-Items/CMS1198992.html>

Commonwealth of MA News

On January 14, 2014, the Massachusetts Executive Office of Health and Human Services, submitted a grant application for "Support for Demonstration Ombudsman Programs Serving Beneficiaries of Financial Alignment Models for Medicare-Medicaid Enrollees" to the US Department of Health and Human Services' Centers for Medicare and Medicaid Services (CMS) under ACA §3021. The proposal's title is "Duals Ombudsman Program Support: Massachusetts One Care Demonstration."

If awarded, this grant will provide funding to increase the capacity of the ombudsman program for One Care: MassHealth plus Medicare. One Care is an option for approximately 90,000 dual eligible individuals ages 21-64 to receive integrated, coordinated Medicare and MassHealth benefits through a health plan contracted with both the Commonwealth and CMS. The funding provided through this grant opportunity will enable the One Care Ombudsman (OCO) to increase its capacity to provide geographically and linguistically accessible services through a Regional Ombudsman and a Bilingual Ombudsman. The OCO will also develop accessible, multi-media educational materials on Medicare/Medicaid beneficiary rights, designed to empower individuals with knowledge and strategies to advocate for their rights in One Care. In addition, based on year one experience, the OCO will identify subpopulations with unmet ombudsman service needs, and launch a targeted program expansion. Finally, this proposal will extend full financial support for the OCO through December 31, 2016.

Read the project abstract at:

<http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/grants/140414-sec-3021-one-care-demo.pdf>

State Plan Amendments for Massachusetts Alternative Benefit Plans: Public Comment Period

The Executive Office of Health and Human Services (EOHHS) plans to submit to the Centers for Medicare and Medicaid Services (CMS) by March 31, 2014 two State Plan Amendments (SPAs) authorizing MassHealth's two Alternative Benefit Plans (ABPs) under the Affordable Care Act. EOHHS will accept comments on the proposal contained in the summary linked below through 5:00 pm on February 21, 2014.

A summary of the proposed SPAs and information about how to submit comments are available at: <http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/alternate-benefit-plans-public-notice.pdf>

Upcoming Events

Integrating Medicare and Medicaid for Dual Eligible Individuals (also known as One Care) Open Meetings

Friday, February 21, 2014, 1:00-3:00 PM
State Transportation Building, Conference Room 1-3
10 Park Plaza
Boston, MA

We welcome attendance from all stakeholders and members of the public with an interest in One Care. 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.

Integrating Medicare and Medicaid for Dual Eligible Individuals (also known as One Care) Implementation Council Meetings

Friday, February 28, 2014
11:00 AM-1:00PM
1 Ashburton Place, 21st Floor
Boston, MA

MBTA and driving directions to 1 Ashburton Place are located here: www.mass.gov/anf

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

Meetings of the Implementation Council are open to stakeholders and members of the public with an interest in One Care. Reasonable accommodations are available upon request. Please contact Donna Kymalainen at Donna.Kymalainen@umassmed.edu to request accommodations.

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://DualEligibles.com) for information on the **"Integrating Medicare and Medicaid for Dual Eligible Individuals"** initiative.