



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

March 16, 2015

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

Support for Expectant and Parenting Teens, Women, Fathers and their Families, §10211 – 10214.
Announced March 6, 2015.

Funding is available for the development and implementation of programs for expectant and parenting teens, women, fathers and their families. These programs will help improve the educational, health and social outcomes for expecting teen parents by strengthening access to and completion of education, improving maternal and child outcomes, and teaching pregnancy planning to reduce the likelihood of repeat teen pregnancies.

Eligible applicants include any state, commonwealth possession, territory, federally recognized Indian tribe, reservation, conservation or council. \$1,600,000 in total is available for three awards.

Required Letters of Intent are due April 17, 2015.

Applications are due May 18, 2015.

View the announcement at: GRANTS.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: www.mass.gov/eohhs/gov/commissions-and-initiatives/healthcare-reform/national-health-care-reform-plan/grants-and-demonstrations.html

Guidance

3/11/15 IRS/Treasury issued a correction and a correcting amendment to the final regulation called "Additional Requirements for Charitable Hospitals; Community Health Needs Assessments for Charitable Hospitals; Requirement of a Section 4959 Excise Tax Return and Time for Filing the Return."

The correction and correcting amendment fix technical errors that appeared in the [final regulation](#) (which was published in the Federal Register on December 31, 2014).

The regulations provide guidance on the requirements for charitable hospital organizations added by ACA §9007. The regulations provide guidance on the requirements described in section 501(r) of the IRS Code, the entities that must meet these requirements, and the reporting obligations relating to these requirements under section 6033 of the IRS Code. In addition, the final regulations provide guidance on the consequences for failing to satisfy the section 501(r) requirements. The regulations apply to taxable years beginning one year after December 29, 2014.

ACA §9007 requires charitable hospitals (which are tax-exempt) to 1) limit the amounts charged to patients eligible for financial assistance so that the amount is generally not more than the amount billed to patients with Medicare or private insurance, 2) establish and broadly disclose their financial assistance policies so that the eligibility criteria and application method is clear to patients, 3) follow reasonable billing and collection requirements and 4) perform a community health needs assessment (CHNA) every three years and disclose steps the hospital is taking to address any identified needs.

Read the correction at: www.gpo.gov/fdsys/pkg/FR-2015-03-11/pdf/2015-05520.pdf

Read the correcting amendment at: www.gpo.gov/fdsys/pkg/FR-2015-03-11/pdf/2015-05519.pdf

3/10/15 IRS/Treasury issued Revenue Procedure 2015-21, which provides correction and disclosure procedures under which failures to meet the additional requirements for charitable hospital organizations added by the ACA §9007 will be excused.

Read Revenue Procedure 2015-21 at: www.irs.gov/pub/irs-drop/rp-15-21.pdf

3/9/15 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on a new information collection activity related to Small Business Health Options Program (SHOP) Effective Date and Termination Notice Requirements.

According to HHS/CMS, the agency requires that, for plan years beginning on or after January 1, 2017, the Small Business Health Options Program (SHOP) must ensure that a qualified health plan (QHP) issuer notifies qualified employees, enrollees, and new enrollees in a QHP through the SHOP of the effective date of coverage.

As required by the [HHS Notice of Benefit and Payment Parameter for 2016](#) (which was published in the Federal Register on February 27, 2015), if any enrollee's coverage through the SHOP is terminated due to non-payment of premiums or a loss of the enrollee's or employer group's eligibility to participate in the SHOP, the SHOP must notify the enrollee or the qualified employer of the termination of such coverage. In the termination of coverage notice the SHOP must include the termination date and reason for termination to the enrollee or qualified employer.

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 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. §1311(b)(1)(B) also requires that the Small Business Health Options Program (SHOP) assist qualified small employers in facilitating the enrollment of their employees in qualified health programs (QHPs) offered in the small group market. QHPs are health plans that have been certified by an Exchange, provide essential health benefits ("EHB", §1301) and follow established limits on cost-sharing (like deductibles, copayments, and out-of-pocket maximum amounts).

Comments are due May 8, 2015.

Read the notice at www.gpo.gov/fdsys/pkg/FR-2015-03-09/pdf/2015-05420.pdf

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

News

3/10/15 HHS announced the Next Generation Accountable Care Organization (ACO) Model of payment and care delivery, authorized by ACA §3021. These ACOs will encourage quality improvement and care coordination, helping to move the health care system towards a system that achieves the U.S. HHS Department's goals of better care, smarter spending, and healthier people.

The next Generation ACO will offer a new opportunity in accountable care. This program will set predictable financial targets, enable providers and beneficiaries greater opportunities to coordinate care, and will aim to attain the highest quality standards of care. In doing so, the next Generation ACO will take on greater performance risk than ACOs in current models, while also potentially sharing in a greater portion of savings.

CMS will accept already established ACOs into the Next Generation ACO Model through two rounds of applications in 2015 and 2016, with participation expected to last up to five years. ACOs interested in applying in 2015 must submit a Letter of Intent by May 1, 2015, and an application by June 1, 2015. Second applications will be available in spring 2016.

To apply to become a New Generation ACO, visit: CMS.GOV

For more information about the New Generation ACO, visit: CMS.GOV

Upcoming Events

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

Friday, March 20, 2015, 2:00 pm-4:00 pm
State Transportation Building
10 Park Plaza, Conference Rooms 1-3
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.



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