



## AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

June 22, 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 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](http://www.mass.gov/eohhs/gov/commissions-and-initiatives/healthcare-reform/national-health-care-reform-plan/grants-and-demonstrations.html)

### Guidance

**6/18/15 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on a new information collection activity related to the Quality Improvement Strategy Implementation Plan and Progress Report.**

ACA §1311 requires qualified health plans (QHPs) offered through an Exchange to implement a prescribed quality improvement strategy (QIS). §1311 also requires the periodic reporting to the applicable Exchange the activities that a QHP has conducted to implement such a strategy. According to HHS, the agency intends to have QHP issuers complete the QIS Plan and Reporting Template annually for initial certification and subsequent annual updates of progress in implementation of their strategy. The template will include topics to assess an issuer's compliance in creation on a payment structure that provides increased reimbursement or other incentives to improve the health outcomes of plan enrollees, prevent hospital readmissions, improve patient safety and reduce medical errors, promote wellness and health, and reduce health and health care disparities.

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).

Comments are due on July 20, 2015.

Read the notice (which was published in the Federal Register on June 19, 2015) at: [www.gpo.gov/fdsys/pkg/FR-2015-06-19/pdf/2015-15125.pdf](http://www.gpo.gov/fdsys/pkg/FR-2015-06-19/pdf/2015-15125.pdf) (see item #2)

**6/18/15 HHS/CMS issued a proposed notice called “Medicare Program; Request for an Exception to the Prohibition on Expansion of Facility Capacity under the Hospital Ownership and Rural Provider Exceptions to the Physician Self-Referral Prohibition.”**

According to HHS, the Social Security Act prohibits a physician-owned hospital from expanding its facility capacity, unless the HHS Secretary grants the hospital's request for an exception to that prohibition after considering input on the hospital's request from individuals and entities in the community in which the hospital is located. CMS has received a request from a physician-owned hospital for an exception to the prohibition against expansion of facility capacity. As a result, this notice solicits comments on the request from individuals and entities in the community in which the physician-owned hospital is located. Community input may inform the agency's determination regarding whether the requesting hospital qualifies for an exception to the prohibition against expansion of facility capacity.

ACA §6001(a)(3) amended the rural provider and hospital ownership exceptions to the physician self-referral prohibition to impose additional restrictions on physician ownership and investment in hospitals and rural providers. Furthermore, a physician-owned hospital that seeks to avail itself of either exception is prohibited from expanding facility capacity unless it qualifies as an “applicable hospital” or “high Medicaid facility” and has been granted an exception to the prohibition by the HHS Secretary.

Additional information about requirements for physician-owned hospitals can be found at: [www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/Physician\\_Owned\\_Hospitals.html](http://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/Physician_Owned_Hospitals.html)

Comments are due July 20, 2015.

Read the notice (which was published in the Federal Register on June 19, 2015) at: [www.gpo.gov/fdsys/pkg/FR-2015-06-19/pdf/2015-15141.pdf](http://www.gpo.gov/fdsys/pkg/FR-2015-06-19/pdf/2015-15141.pdf)

**6/16/15 HHS issued a Notice of proposed rulemaking called “340B Drug Pricing Program Ceiling Price and Manufacturer Civil Monetary Penalties Regulation.”** ACA §7102 requires the HHS Secretary to implement 340B program integrity improvements to ensure manufacturer compliance and covered entity compliance with 340B requirements, including the imposition of sanctions in the form of civil monetary penalties.

The Health Resources and Services Administration (HRSA) administers section 340B of the Public Health Service Act, which is referred to as the “340B Drug Pricing Program.” The proposed rule will apply to all drug manufacturers that are required to make their drugs available to covered entities under the 340B Program. The proposed rule sets forth the calculation of the ceiling price and application of civil monetary penalties.

The 340B Drug Pricing Program requires drug manufacturers to provide outpatient drugs to eligible health care organizations and covered entities at significantly reduced prices. The 340B drug discount program allows certain hospitals, and federally qualified health centers and other specified federal grantee clinics to purchase covered outpatient drugs at discounts.

Comments are due August 17, 2015.

More information on the 340B Drug Pricing Program is available at: [www.hrsa.gov/opa/](http://www.hrsa.gov/opa/)

Read the proposed rule (which was published in the Federal Register on June 17, 2015 at): [www.gpo.gov/fdsys/pkg/FR-2015-06-17/pdf/2015-14648.pdf](http://www.gpo.gov/fdsys/pkg/FR-2015-06-17/pdf/2015-14648.pdf)

**6/12/15 Treasury/DOL/HHS issued final rules called “Summary of Benefits and Coverage and Uniform Glossary.”** The final regulations relate to the summary of benefits and coverage (SBC) and the uniform glossary for group health plans and health insurance coverage in the group and individual markets under ACA §10101(b). The final regulations finalize the disclosure requirements under section 2715 of the Public Health Service Act to help plans and individuals better understand their health coverage, as well as to gain a better understanding of other coverage options for comparison. ACA §10101(b) requires that group health plans and health insurance carriers in the group and individual markets provide an SBC that concisely and accurately describes the benefits and coverage available

under the applicable plan or coverage.

The final regulations amend the [final SBC rule](#) (published in the Federal Register on February 14, 2012). According to the agencies, the amendments to the 2012 final regulations are finalized based on public comments received on the [proposed rules](#) published on December 30, 2014. The final regulations are designed to improve consumers' access to important plan information so they can make informed choices when shopping for and renewing coverage, as well as to provide clarifications that will make it easier for health insurance issuers and group health plans to comply with the requirement to provide this information. The December 2014 proposed rules included proposed revisions to the SBC template, instruction guides, uniform glossary, and other supporting materials.

Furthermore, on March 30, 2015, the agencies released an [Frequently Asked Question](#) explaining that they intend to finalize changes to previously issued regulations after seeking further public input, and anticipate the new SBC template and associated documents will be finalized by January 2016 and will apply to coverage that would renew or begin on the first day of the first plan year (or, in the individual market, policy year) that begins on or after January 1, 2017 (including open season periods that occur in the Fall of 2016 for coverage beginning on or after January 1, 2017). According to the agencies, only comments on the regulations are addressed in the final rule; comments relating to the SBC template and associated documents will be addressed when those documents are finalized.

Read the press release about the final rules at: <http://cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2015-Press-releases-items/2015-06-12.html>

Read the final rules (which were published in the Federal Register on June 16, 2015) at: [www.gpo.gov/fdsys/pkg/FR-2015-06-16/pdf/2015-14559.pdf](http://www.gpo.gov/fdsys/pkg/FR-2015-06-16/pdf/2015-14559.pdf)

Prior guidance can be found at: [www.hhs.gov/healthcare/index.html](http://www.hhs.gov/healthcare/index.html)

## News

### **6/18/15 HHS/CMS announced that the Independence at Home Demonstration (authorized under ACA §3024) has saved more than \$25 million in Medicare expenditures during its first performance year.**

The Independence at Home Demonstration provides chronically ill Medicare beneficiaries with primary care services in the home setting. This program is designed to improve overall quality of care and quality of life for patients served, while lowering health care costs by forestalling the need for care in institutional settings. In its first performance year, 17 participating practices served over 8,400 Medicare beneficiaries saving an average of \$3,070 per beneficiary.

The Boston Medical Center is one of the 17 practices that is participating in the Independence at Home Demonstration. All participating practices have improved their quality of care in at least three of the six quality measure for demonstration in their first year.

To read this announcement, visit: [CMS.GOV](http://CMS.GOV)

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### **6/18/15 HHS/CMS announced that criminal charges have been filed against 243 individuals for falsely billing the Medicare program \$172 million.**

The Medicare Fraud Strike Force led a nationwide sweep across seventeen districts that resulted in criminal charges against 243 individuals for their alleged participation in various Medicare fraud schemes across the country. This coordinated effort is the largest in the Strike Force's history, both in terms of the number of defendants and the amount of the loss.

§10606 and §6604 of the ACA provide new tools and resources in order to fight fraud in federal health care programs. The ACA also provides an additional \$350 million for health care fraud prevention and enforcement efforts, which has allowed the Justice Department to hire more prosecutors and the Strike Force to expand from two cities to nine.

To read more about this announcement, visit: [HHS.GOV](http://HHS.GOV)

To learn more about the Medicare Fraud Strike Force, visit: [STOPMEDICAREFRAUD.GOV](http://STOPMEDICAREFRAUD.GOV)

## Upcoming Events

### Money Follows the Person (MFP) Semi-Annual Informational Meeting

June 24, 2015  
2:00 PM -3:30 PM  
Massachusetts Department of Public Health  
Public Health Council Room  
250 Washington Street  
Boston, MA 02108

Click link for [directions](#)

Please contact [MFP@state.ma.us](mailto:MFP@state.ma.us) to RSVP and to request reasonable accommodations. Although RSVPs are greatly appreciated, they are not required.

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

Friday, July 24, 2015, 1:30 PM - 3:30 PM  
Transportation Building  
10 Park Plaza  
Boston, MA

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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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