



## AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

October 26, 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

**Small Rural Hospital Improvement Grant Program (SHIP), \$3129.** Announced October 14, 2015.

Funding is available to help small rural hospitals that have less than 50 beds implement quality and operational improvement efforts. The purpose of the SHIP program is to achieve the following goals: to enable the purchase of equipment and/or training to help hospitals attain value-based purchasing provisions in the ACA; to aid small rural hospitals in joining or becoming accountable care organizations, or create shared savings programs per the ACA; and to enable small rural hospitals to purchase health information technology, equipment, and training.

Eligible applicants are limited to current State Offices of Rural Health (SORH) receiving SHIP, as well as SORHs not previously funded who meet eligibility requirements. The SORH in each state will be the official grantee of record, as it will act as a fiscal intermediary for all hospitals within their state. \$14,571,000 is available for 47 awards.

Applications are due December 15, 2015.

The announcement may be viewed 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](http://www.mass.gov/eohhs/gov/commissions-and-initiatives/healthcare-reform/national-health-care-reform-plan/grants-and-demonstrations.html)

### Guidance

**10/21/15 HHS/CMS issued a rule called "Basic Health Plan; Federal Funding Methodology for Program Years 2017 and 2018."**

The rule provides the methodology and data sources necessary to determine federal payment amounts made in program years 2017 and 2018 to states that elect to establish a Basic Health Plan (BHP) under the ACA to offer health benefits coverage to low-income individuals otherwise eligible to purchase coverage through Affordable Insurance Exchanges (Marketplaces).

The BHP program, as authorized by §1331 and subsequent guidance, provides states the option to establish a health benefits coverage program for low-income individuals who would otherwise be eligible to purchase coverage through the Health Insurance Exchange. Under the BHP rules, citizens or lawfully present non-citizens who do not qualify for Medicaid, the Children's Health Insurance Program (CHIP) or other minimum essential coverage and have incomes between 133% FPL and 200% FPL are eligible for the BHP.

The BHP is federally funded by determining the amount of payments that the federal government would have made through the premium tax credit and cost sharing reductions (CSR) for individuals enrolled in BHP had they instead been enrolled in an Exchange. To calculate the amounts for each state, HHS/CMS is asking states for "reference premiums" for the second lowest cost silver plans in each geographic area in a state, as those amounts are a basic unit in the calculation of tax credits and CSRs under the Exchanges. Furthermore, reference premiums are critical components of the BHP payment methodology. According to HHS/CMS, the agency has the required data to establish reference premiums for states with Exchanges that are operated by the Federally Facilitated Exchange (FFE) or are operated in partnership with the FFE, although the agency is seeking such information from the 17 states that are operating State Based Exchanges.

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, where low and moderate income individuals would be eligible for premium tax credits (§1401, §1411) to make purchasing a qualified health plan (QHP) more affordable by reducing out-of-pocket premium costs. QHPs are health plans that have been certified by an Exchange, provide essential health benefits (§1301) and follow established limits on cost-sharing (like deductibles, copayments, and out-of-pocket maximum amounts).

Beginning January 1, 2015, states have an option to establish a BHP for certain individuals who meet the income criteria and would otherwise be eligible to obtain coverage through the Exchange. BHP benefits are required to include at least the ten essential health benefits specified in §1301. BHP monthly premiums and cost sharing cannot exceed what an eligible individual would have paid if the eligible individual were to receive coverage from a QHP through the Exchange. A state that operates a BHP will receive federal funding equal to 95% of the amount of the premium tax credits and the cost sharing reductions that would have otherwise been provided to (or on behalf of) eligible individuals if these individuals enrolled in QHPs through the Exchange.

Comments are due November 23, 2015.

Read the rule (which was published in the Federal Register on October 22, 2015) at: [www.gpo.gov/fdsys/pkg/FR-2015-10-22/pdf/2015-26907.pdf](http://www.gpo.gov/fdsys/pkg/FR-2015-10-22/pdf/2015-26907.pdf)

**10/20/15 The Food and Drug Administration (FDA) issued a notice announcing the reopening of the comment period for certain documents associated with the [proposed rule](#) (which was published in the Federal Register on March 3, 2014) called "Food Labeling: Revision of the Nutrition and Supplement Facts Labels."** The proposed rule amends the FDA's labeling regulations for conventional foods and dietary supplements to provide updated nutrition information on the Nutrition Facts and Supplement Facts labels to assist consumers in maintaining healthy dietary practices.

The FDA is also reopening the comment period for a [supplemental proposed rule](#) (and the relevant consumer studies, published in the Federal Register on July 27, 2015) to revise the Nutrition Facts and Supplement Facts labels. The FDA is proposing to add text in a footnote on the label and to establish an addition to the label, a Daily Reference Value (DRV) of 10% of total energy intake from added sugars.

According to the FDA the comment period is being extended due to technical difficulties with the internet Federal eRulemaking Portal used for comment submissions.

Comments are now due October 23, 2015.

Read the notice at: [www.gpo.gov/fdsys/pkg/FR-2015-10-20/pdf/2015-26636.pdf](http://www.gpo.gov/fdsys/pkg/FR-2015-10-20/pdf/2015-26636.pdf)

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

---

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.



Follow **MassHealth** on YouTube!



Follow **MassHealth** on Twitter!

---

To subscribe to receive the ACA Update, send an email to: [join-ehs-ma-aca-update@listserv.state.ma.us](mailto:join-ehs-ma-aca-update@listserv.state.ma.us). To unsubscribe from the ACA Update, send an email to: [leave-ehs-ma-aca-update@listserv.state.ma.us](mailto:leave-ehs-ma-aca-update@listserv.state.ma.us). Note: When you click on the sign up link, a blank e-mail should appear. If your settings prevent this, you may also copy and paste [join-ehs-ma-aca-update@listserv.state.ma.us](mailto:join-ehs-ma-aca-update@listserv.state.ma.us) into the address line of a blank e-mail. Just send the blank e-mail as it's addressed. No text in the body or subject line is needed.