



## AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

July 18, 2016

### 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

**7/12/16 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on the revision of a currently approved information collection related to Consumer Experience Survey Data Collection.** In order to support the delivery of quality health care coverage offered in the Exchanges, ACA §1311 directs the HHS Secretary to develop an enrollee satisfaction survey system that assesses consumer experience with qualified health plans (QHPs) offered through an Exchange.

The survey includes topics to assess consumer experience with the health care system such as communication skills of providers and ease of access to health care services. According to the notice, CMS developed the survey using the Consumer Assessment of Health Providers and Systems (CAHPS) principles. According to CMS, the QHP Enrollee Survey will 1) help consumers choose among competing health plans, 2) provide actionable information that the QHPs can use to improve performance, 3) provide information that regulatory and accreditation organizations can use to regulate and accredit plans, and 4) provide a longitudinal database for consumer research. With this notice, CMS is requesting approval of adding six disability status items required by ACA §4302 and that were tested during the 2014 psychometric testing of the QHP Enrollee Survey.

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).

Comments are due August 11, 2016.

Read the notice at: <https://www.gpo.gov/fdsys/pkg/FR-2016-07-12/pdf/2016-16445.pdf> (see item #2)

### **7/8/16 Treasury/IRS issued a notice of proposed rulemaking called "Premium Tax Credit NPRM VI."**

The proposed regulations relate to the health insurance premium tax credit (premium tax credit, ACA §1401, §1411) and the [individual shared responsibility provision](#). The proposed regulations affect individuals who enroll in qualified health plans (QHPs) through Health Insurance Exchanges (also called Marketplaces) and claim the premium tax credit, and Exchanges that make QHPs available to individuals and employers. The proposed regulations also affect individuals who are eligible for employer-sponsored health coverage and individuals who seek to claim an exemption from the individual shared responsibility provision because of unaffordable coverage. According to the Treasury, although employers are not directly affected by rules governing the premium tax credit, these proposed regulations may indirectly affect employers through the [employer shared responsibility provisions](#) and the related information reporting provisions.

Beginning in 2014, eligible individuals who enrolled in, or whose family member enrolled in, coverage under a QHP through an Exchange may receive a premium tax credit under section 36B of the IRS Code. Under section 36B, an eligible employer-sponsored plan provides MV only if the plan's share of the total allowed costs of benefits provided under the plan is at least 60%. ACA §1302 provides that, in determining the percentage of the total allowed costs of benefits provided under a group health plan, the [regulations](#) promulgated by HHS under section 1302(d)(2), dealing with actuarial value, apply.

The [individual shared responsibility provision](#) requires each nonexempt individual to have basic health insurance coverage known as [minimum essential coverage](#) (MEC, ACA §6055), qualify for an exemption, or make a shared responsibility payment when filing their federal income tax return.

Section 6056 (which was added by ACA §1514) requires "applicable large employers" (generally those with 50 or more full-time employees, including full-time equivalents, in the previous year) to file and furnish annual information returns and statements relating to the health insurance that the employer offers (or does not offer) to its full-time employees. According to the agency, the information provided on the information return is used by the IRS to administer the [employer shared responsibility provisions](#) of section 4980H, as well as part of the determination of whether an employer is eligible for the premium tax credit under section 36B. The employer shared responsibility provisions under IRS Section 4980H (which was added to the IRS Code by ACA §1513) state that "applicable large employers" must offer health coverage to their full-time employees or a shared responsibility payment may apply. For 2015 and after, "applicable large employers," those employers employing at least a certain number of employees (employers with 50 or more full-time employees\*) must offer affordable health coverage that provides a minimum level of coverage (§1501) to their full-time employees (and their dependents), or the employer may be subject to an employer shared responsibility payment if at least one of its full-time employees receives a premium tax credit for purchasing individual coverage on one of the Affordable Insurance Exchanges.

\*Under the ACA, 50 full-time employees or a combination of full-time and part-time employees is equivalent to 50 full-time employees. A full-time employee is an individual employed on average at least 30 hours of service per week. An employer that meets the 50 full-time employee threshold is referred to as an applicable large employer.

Comments are due September 6, 2016.

For more information on the premium tax credit, visit: <https://www.irs.gov/affordable-care-act/individuals-and-families/the-premium-tax-credit>

Read the proposed rule at: <https://www.gpo.gov/fdsys/pkg/FR-2016-07-08/pdf/2016-15940.pdf>

### **7/8/16 HHS/CMS issued a proposed rule called "Medicare Program; Revisions to Payment Policies under the Physician Fee Schedule and Other Revisions to Part B for CY 2017; Medicare Advantage**

**Pricing Data Release; Medicare Advantage and Part D Medical Low Ratio Data Release; Medicare Advantage Provider Network Requirements; Expansion of Medicare Diabetes Prevention Program Model."**

According to CMS this proposed rule, which implements portions of §3021, §3022, §3134, §6002, §6401, §10324, and §10501 of the ACA, addresses changes to the physician fee schedule and other Medicare Part B payment policies, such as changes to the Value Modifier, to ensure that Medicare payment systems are updated to reflect changes in medical practice and the relative value of services, as well as changes in the statute. This proposed rule also includes proposals related to the [Medicare Shared Saving Program](#) (ACA §3022), and the release of certain pricing data from Medicare Advantage bids and medical loss ratio reports from Medicare health and drug plans. In addition, this rule proposes to expand the Medicare Diabetes Prevention Program model.

Comments are due September 6, 2016.

Read the rule (which was published in the Federal Register on July 15, 2016) at: <https://www.gpo.gov/fdsys/pkg/FR-2016-07-15/pdf/2016-16097.pdf>

**7/7/16 HHS/CMS issued a proposed rule called "Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs; Organ Procurement Organization Reporting and Communication; Transplant Outcome Measures and Documentation Requirements; Electronic Health Record (EHR) Incentive Programs; Payment to Certain Off-Campus Outpatient Departments of a Provider; Hospital Value-Based Purchasing (VBP) Program."**

According to CMS, this proposed rule, which implements portions of §3001, §3138, §3401, §4104, and §10324 of the ACA, revises the Medicare hospital outpatient prospective payment system (OPPS) and the Medicare ambulatory surgical center (ASC) payment system for CY 2017 to implement applicable statutory requirements and changes arising from HHS' continuing experience with these systems. In addition, the proposed rule updates and refines the requirements for the Hospital Outpatient Quality Reporting Program and the ASC Quality Reporting Program.

The rule also proposes to make changes to tolerance thresholds for clinical outcomes for solid organ transplant programs; to Organ Procurement Organizations definitions, outcome measures, and organ transport documentation; and to the Medicare and Medicaid Electronic Health Record Incentive Programs. Finally the rule is proposing to remove the Hospital Consumer Assessment of Healthcare Providers and Systems Pain Management dimension from the Hospital VBP Program.

Comments are due September 6, 2016.

Read the rule (which was published in the Federal Register on July 14, 2016) at: <https://www.gpo.gov/fdsys/pkg/FR-2016-07-14/pdf/2016-16098.pdf>

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

## News

**7/12/16 The Patient-Centered Outcomes Research Institute (PCORI) awarded funds totaling nearly \$1.2 million to enable 22 projects to advance into the final phase of PCORI's "Pipeline to Proposal" Awards program.**

The program provides three tiers of support to help individuals and groups not typically involved in clinical research to develop the means to produce community-led research funding proposals. Awards will provide up to \$50,000 per project and will help recipients strengthen community partnerships and develop research capacity. Tier III awards support the development of high-quality, patient-centered research proposals that can be submitted to PCORI or other funders.

The 22 projects are the first projects to have successfully progressed to the third stage of the program's three-tier process for helping researchers, patients, and other healthcare stakeholders to develop ideas for patient-centered outcomes research into full study proposals that include robust patient engagement. Grant recipients include individual patients and patient groups, as well as caregivers, healthcare providers, and researchers. None of the

grant awardees were from Massachusetts.

Created under ACA §6301, PCORI is an independent nonprofit organization, tasked with conducting patient-centered outcomes and studies. With this latest announcement, PCORI has approved awards totaling nearly \$4 million through the Pipeline program.

For more information about these awarded projects, visit [PCORI.ORG](http://PCORI.ORG)

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## Upcoming Events

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

July 22, 2016  
1:00 PM -3:00 PM  
1 Ashburton Place, 21st Floor  
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](mailto:Donna.Kymalainen@state.ma.us).

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Bookmark the **Massachusetts National Health Care Reform website** at: [National Health Care Reform](http://National Health Care Reform) to read updates on ACA implementation in Massachusetts.

Remember to check the Mass.Gov website at: [Dual Eligibles](http://Dual Eligibles) for information on the "**Integrating Medicare and Medicaid for Dual Eligible Individuals**" initiative.



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