



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

August 15, 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: <http://www.mass.gov/eohhs/gov/commissions-and-initiatives/healthcare-reform/national-health-care-reform-plan/grants-and-demonstrations.html>

Guidance

8/11/16 HHS/CMS issued a correction to the final rule called "Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2017." The document makes technical corrections to the [final rule](#) which was published in the Federal Register on March 8, 2016.

The final rule sets forth payment parameters and provisions related to the risk adjustment, reinsurance, and risk corridors programs; cost-sharing parameters and cost-sharing reductions; and user fees for Federally-facilitated Exchanges. The rule also provides additional amendments regarding the annual open enrollment period (§1311(c)(6)(B)) for the individual market for the 2017 and 2018 benefit years; essential health benefits (EHB, §1301); cost sharing; qualified health plans (QHPs); Exchange consumer assistance programs; network adequacy; patient safety; the Small Business Health Options Program (SHOP, §1311(b)(1)(B)); stand-alone dental plans; third-party payments to qualified health plans; the definitions of large employer and small employer; fair health insurance premiums; student health insurance coverage; the [rate review program](#) (§1003); the [medical loss ratio program](#) (MLR, §10101); eligibility and enrollment; exemptions and appeals; and other related topics.

Specifically, CMS finalized the open enrollment period for future years. For coverage in 2017 and 2018, open enrollment will begin on November 1 of the previous year and run through January 31 of the coverage year. For coverage in 2019 and beyond, open enrollment will begin on November 1 and end on December 15 of the preceding year (for example, November 1, 2018 through December 15, 2018 for 2019 coverage).

Starting October 1, 2013, qualified individuals and qualified employees could purchase private health insurance coverage through competitive marketplaces called Affordable Insurance Exchanges, or "Exchanges" (also called

Health Insurance Marketplaces). 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 Americans will be eligible for premium tax credits (§1401, §1411) to make purchasing a health plan 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). A QHP must have a certification by each Exchange in which it is sold. ACA §1311 and subsequent regulations provide that, in order to be certified as a QHP and operate in the Exchanges that will be operational in 2014, a health plan must be accredited on the basis of local performance by an accrediting entity recognized by HHS.

The premium tax credit is designed to make purchasing a health plan on the Exchange affordable for low and moderate income Americans by reducing a taxpayer's out-of-pocket premium cost. To be eligible to receive the premium tax credit, individuals and families must have incomes between 100%- 400 % FPL (or between 0% - 400% FPL if lawfully present and ineligible for Medicaid) and be enrolled in a QHP through an exchange. The individual must also be ineligible for government sponsored insurance and not have access to employer sponsored insurance that meets definitions of affordability and minimum essential coverage as established by ACA §1401. Advance payments are made monthly under ACA §1412 to the issuer of the QHP in which the individual enrolls. ACA §1402 provides for the reduction of cost sharing for certain individuals enrolled in QHPs offered through the Exchanges and §1412 provides for the advance payment of these reductions to issuers.

The ACA established three risk-mitigation programs to stabilize premiums in the individual insurance market and minimize the effects of adverse selection that may occur as insurance reforms and the Exchanges launch in 2014. These programs include transitional reinsurance (§1341), temporary risk corridors programs (§1342), and a permanent risk adjustment program (§1343) to provide payments to health insurance issuers that cover higher-risk populations and to more evenly spread the financial risk borne by issuers. The transitional reinsurance program and the temporary risk corridors program, which begin in 2014, are designed to provide issuers with greater payment stability as insurance market reforms are implemented. The reinsurance program will reduce the uncertainty of insurance risk in the individual market by partially offsetting risk of high-cost enrollees. The risk corridors program, which is a federally administered program, will protect against uncertainty in rates for qualified health plans by limiting the extent of issuer losses and gains.

Read the correction at: <https://www.gpo.gov/fdsys/pkg/FR-2016-08-11/pdf/2016-19108.pdf>

8/10/16 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on two information collection activities.

Comments are due September 9, 2016.

Read the notice at: <https://www.gpo.gov/fdsys/pkg/FR-2016-08-10/pdf/2016-18986.pdf>

In item #1, HHS/CMS is seeking comments on the revision of a currently approved information collection activity related to Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Exchanges. Under ACA §1311(i), Exchanges operating as of January 1, 2014 were required to establish a Navigator grant program to provide consumers with health insurance plan enrollment assistance.

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. §1311(d) and §1311(i) also direct all Exchanges to award grants to Navigators that provide unbiased information to consumers about health insurance, the Exchange, qualified health plans, and insurance affordability programs including premium tax credits, Medicaid and the Children's Health Insurance Program (CHIP). Navigator programs provide outreach and education efforts and assistance applying for health insurance coverage. In states with a Federally-facilitated Marketplace (FFM) or State Partnership Marketplace, HHS is responsible for awarding Navigator grants. Note that Massachusetts runs a State-Based Exchange.

In item #2, HHS/CMS is seeking comments on the extension of a currently approved collection activity related to Title of Information Collection: Issuer Reporting Requirements for Selecting a Cost-Sharing Reductions Reconciliation Methodology.

ACA §1402 and §1412 provide for reductions in cost sharing on essential health benefits (EHB) for low- and moderate-income enrollees in silver level qualified health plans (QHP) on individual market Exchanges. It also provides for reductions in cost sharing for Indians enrolled in QHPs at any metal level. According to HHS, these cost-sharing reductions are intended to help eligible individuals and families afford the out-of-pocket spending associated with health care services provided through Exchange-based QHP coverage.

In addition, the ACA directs QHP issuers to notify the HHS Secretary of cost-sharing reductions made under the statute for qualified individuals, and directs the HHS Secretary to make periodic and timely payments to the QHP issuer equal to the value of those reductions. Furthermore, the ACA permits advance payment of the cost-sharing reduction amounts to QHP issuers based upon amounts specified by the HHS Secretary. Under established HHS regulations, QHP issuers will receive advance payments of the cost-sharing reductions throughout the year and each issuer will then be subject to one of two reconciliation processes after the year to ensure that HHS reimbursed each issuer the correct advance cost-sharing amount. According to HHS, this information collection request establishes the data collection requirements for a QHP issuer to report to HHS which reconciliation reporting option the issuer will be subject to for a given benefit year.

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

News

8/9/16 The U.S. Preventive Services Task Force (USPSTF) issued a final recommendation statement on screening for lipid disorders, and reviewed whether screening for cholesterol in children and adolescents up to age 20 leads to a lower risk of cardiovascular events in adulthood. The Task Force found that there is insufficient evidence to assess the effectiveness of such screenings and, as a result, assigned an "I" rating to the recommendation. The "I" rating is not a recommendation for or against screening.

According to the USPSTF, there is not enough research to conclude whether screening all asymptomatic children and adolescents leads to better cardiovascular health. In addition, the Task Force wants to better understand any potential harms of long-term use of cholesterol-lowering medication. The USPSTF recommends that all children and adolescents should eat a healthy diet, maintain a normal weight, and engage in physical activity.

Under ACA §1001, all recommended services receiving grades of "A" or "B" must be provided without cost-sharing when delivered by an in-network health insurance provider in the plan years (or, in the individual market, policy years) that began on or after September 23, 2010. Because the recommendation on screening for lipid disorders was finalized with an "I" rating, then it will not be required to be provided without cost sharing.

Read the final recommendation statement at: www.uspreventiveservicestaskforce.org/Page/Document/RecommendationStatementFinal/lipid-disorders-in-children-screening1

Learn more about preventive services covered under the ACA at: HHS.Gov

Learn more about the USPSTF at: www.uspreventiveservicestaskforce.org

8/5/16 The Patient-Centered Outcomes Research Institute (PCORI) awarded funds totaling \$688,000 for 46 projects through its "Pipeline to Proposal" Awards program. These projects were approved for Tier I awards of up to \$15,000 each to develop the capacity for patients, caregivers, and other stakeholders to participate in patient-centered clinical comparative effectiveness (CER) research.

Tier I funding is the first phase of PCORI's three-tier Pipeline Awards program. The 46 new award recipients have up to nine months to complete their proposed work after which they are eligible to apply for Tier II funding. Tier II awards provide funds to help recipients further strengthen their community partnerships, develop research capacity, and build the infrastructure needed to conduct research. Tier III awards support the development of high-quality, patient-centered research proposals that can be submitted to PCORI or other funders.

With this latest announcement, PCORI has approved awards totaling nearly \$5 million through the Pipeline program. PCORI has provided \$1.8 million in total to 123 Tier I projects since the program began. It has also awarded \$1.8 million to 71 Tier II projects and \$1.1 million to 22 Tier III projects. This includes a total of 12 Pipeline to Proposal projects (Tier 1 and Tier 2) in Massachusetts that have been funded.

For more information about this announcement, visit: www.pcori.org/news-release/pcori-awards-46-pipeline-proposal-awards

For more information about PCORI, visit PCORI.ORG

8/4/16 HHS announced more than \$8.6 million in funding for 246 health centers in 41 states, the District of Columbia, the Federation of Micronesia and the Northern Mariana Islands. The awards will help to improve quality of care and patients' and providers' experience of care through the Patient-Centered Medical Home (PCMH) health care delivery model. The awards were funded by the ACA's Community Health Center Fund (ACA §4206), which was extended with bipartisan support in the Medicare Access and CHIP Reauthorization Act (MACRA) of 2015.

PCMH is a care delivery model designed to improve quality of care through enhanced access, planning, management, and comprehensive care. The awards will provide assistance to health centers to make the changes necessary to achieve, expand and optimize PCMH recognition. The funding will allow more than 300 health center sites to achieve recognition and more than 200 currently recognized sites to increase their level of recognition or further optimize the use of the PCMH model. In Massachusetts, the following four organizations received funding: South End Community Health Center, Inc., Harvard Street Neighborhood Health Center Inc., Uphams Corner Health Committee, Inc. and Island Health Inc.

Nearly 1,400 health centers operate about 9,800 service delivery sites in every U.S. state, the District of Columbia, Puerto Rico, the Virgin Islands and the Pacific Basin. These health centers employ more than 170,000 staff who provide care for nearly 23 million patients, an increase of 6 million patients since the beginning of 2009.

To view a list of the award recipients, visit: <http://bphc.hrsa.gov/programopportunities/fundingopportunities/pcmh/fy2016awards/>

To learn more about HRSA's Health Center Program, visit: <http://bphc.hrsa.gov/about/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.



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