



## AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

August 29, 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

**8/19/16 IRS/Treasury issued Revenue Procedure 2016-43, Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability.**

Revenue Procedure 2016-43 provides the national monthly average premium for a bronze-level qualified health plan (NABP) available through Exchanges (Marketplaces) in 2016. The NABP is the maximum monthly individual shared responsibility payment under section 5000A for nonexempt individuals who do not have [minimum essential coverage](#) (MEC, ACA §1501) for a month in 2016.

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

Read Revenue Procedure 2016-43 at: <https://www.irs.gov/pub/irs-drop/rp-16-43.pdf>

**8/18/16 HHS/CMS issued a Request for information called "Inappropriate Steering of Individuals Eligible for or Receiving Medicare and Medicaid Benefits to Individual Market Plans."**

According to HHS, the request seeks comment regarding concerns about health care providers and provider-affiliated organizations steering people eligible for or receiving Medicare and/or Medicaid benefits to an individual market plan

for the purpose of obtaining higher payment rates. The agency is concerned about reports of this practice and is requesting comments on the frequency and impact of the issue from the public. HHS states that they believe this practice not only could raise overall health system costs, but could potentially be harmful to patient care and service coordination because of changes to provider networks and drug formularies, result in higher out-of-pocket costs for enrollees, and have a negative impact on the individual market single risk pool (or the combined risk pool in states that have chosen to merge their risk pools). Specifically, HHS is seeking stakeholder input regarding the frequency and impact of this practice, and options to limit this practice.

Comments are due September 22, 2016.

Read the RFI (which was published in the Federal Register on August 23, 2016) at: <https://www.gpo.gov/fdsys/pkg/FR-2016-08-23/pdf/2016-20034.pdf>

**8/2/16 HHS/CMS issued a final rule called "Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Policy Changes and Fiscal Year 2017 Rates; Quality Reporting Requirements for Specific Providers; Graduate Medical Education; Hospital Notification Procedures Applicable to Beneficiaries Receiving Observation Services; Technical Changes Relating to Costs to Organizations and Medicare Cost Reports; Finalization of Interim Final Rules with Comment Period on LTCH PPS Payments for Severe Wounds, Modifications of Limitations on Redesignation by the Medicare Geographic Classification Review Board, and Extensions of Payments to MDHs and Low-Volume Hospitals."** The final rule implements portions of the following ACA Sections: 1105, 1557, 3001, 3004, 3005, 3008, 3021, 3025, 3123, 3124, 3125, 3126, 3133, 3141, 3401, 5503, 5504, 5506, 10309, 10313, 10314, 10319, 10322 and 10324.

The final rule updates fiscal year (FY) 2017 Medicare payment policies and rates under the Inpatient Prospective Payment System (IPPS) and the Long-Term Care Hospital (LTCH) Prospective Payment System. The final rule, which applies to approximately 3,330 acute care hospitals and approximately 430 LTCHs, impacts discharges occurring on or after October 1, 2016.

The IPPS pays hospitals for services provided to Medicare beneficiaries using a national base payment rate, adjusted for a number of factors that affect hospitals' costs, including the patient's condition and the cost of hospital labor in the hospital's geographic area.

According to CMS, the rule finalizes policies that continue a commitment to increasingly shift Medicare payments from volume to value, moving the Medicare program, and the health system at large, toward paying providers based on the quality, rather than the quantity of care they give patients.

Read the final rule (which was published in the Federal Register on August 22, 2016) at: <https://www.gpo.gov/fdsys/pkg/FR-2016-08-22/pdf/2016-18476.pdf>

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

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

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



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