AFFORDABLE CARE ACT
MASSACHUSETTS IMPLEMENTATION UPDATE

May 28, 2013

Quick Links

MA-ACA Website

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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: Mass.Gov

Guidance

5/20/13 Treasury/ IRS published a correction to the proposed rule "Community Health Needs Assessments for Charitable Hospitals." The proposed regulations (published in the Federal Register on April 5, 2013) provide guidance to charitable hospital organizations on the community health needs assessment (CHNA) requirements, and related excise tax and reporting obligations, enacted as part of the ACA. The corrections make clarifying and technical changes to the final regulations.

Under the rule, charitable hospitals are required to conduct CHNAs and adopt implementation strategies at least once every three years. The proposed regulations also clarify the consequences for failing to meet the requirements for charitable hospital organizations. The proposed regulations implement portions of §4959.

On June 22, 2012, the IRS issued proposed regulations under ACA §9007 and §10903 which

provide information on the requirements for charitable hospitals relating to financial assistance and emergency medical care policies, charges for emergency or medically necessary care provided to individuals eligible for financial assistance, and billing and collections.

Comments on the 2013 proposed rule and requests for a hearing are due July 5, 2013.

For more information on the ACA and Charitable 501(c)(3) Hospitals visit: IRS.Gov
Read the correction, which was published in the Federal Register on May 21, 2013) at:
http://www.gpo.gov/fdsys/pkg/FR-2013-05-21/pdf/2013-12013.pdf

5/17/13 HHS/ CMS issued a Final Rule called "Medicare Program: Medical Loss Ratio Requirements for the Medicare Advantage and the Medicare Prescription Drug Benefit Programs."

The rule implements the ACA's medical loss ratio (MLR) requirements (§10101) for Medicare Advantage (MA) and Medicare Part D prescription drug plans as further established by §1103. The final rule limits how much plans can spend on marketing, overhead, and profit. Similar MLR requirements (§10101) have been in place in the private health insurance market since 2011. Under this MLR rule, MA and Part D prescription drug plans must spend at least 85% of revenue on clinical services, prescription drugs, quality improvements, or direct benefits to beneficiaries in the form of reduced Medicare premiums.

Read the rule, which was published in the Federal Register on May 23, 2013) at:
http://www.gpo.gov/fdsys/pkg/FR-2013-05-23/pdf/2013-12156.pdf

5/17/13 CMS/HHS issued an interim final rule regarding the Pre-Existing Condition Insurance Plan (PCIP) Program. The interim final rule sets the payment rates for covered services beginning on June 15, 2013 for individuals enrolled in the PCIP program. In addition, the rule prohibits facilities and providers from charging a PCIP enrollee an amount greater than cost-sharing amount calculated by the PCIP plan for the covered service.

The PCIP program, established under ACA §1101, is a temporary federal program designed to cover uninsured Americans with pre-existing conditions until 2014. In 2014, individuals will be able to purchase health insurance through the Exchange where they cannot be denied coverage because of a pre-existing condition. The ACA provides $5 billion in funding for this program. On February 16, 2013, the PCIP suspended new enrollment to ensure that funding would be available to current PCIP enrollees through the end of 2013. According to HHS, since enrollment began in July 2010, the PCIP provided insurance to over 135,000 people with high-risk pre-existing conditions nationwide.

Massachusetts participates in the federally-administered PCIP program because it is a guarantee-issue state where existing commercial plans already offer guaranteed coverage at premiums comparable to PCIP so the need for such a program is not as high as in other states. As a result, enrollment in Massachusetts has been very low. The most recent data indicates that 24 people in Massachusetts are enrolled in PCIP.

Comments are due on July 22, 2013.

Read the interim rule (which was published in the Federal Register on May 22, 2013) at:
http://www.gpo.gov/fdsys/pkg/FR-2013-05-22/pdf/2013-12145.pdf

Prior guidance can be viewed at: www.healthcare.gov

News

5/20/13 The U.S. Preventive Services Task Force (USPSTF) issued a draft recommendation statement on the use of fluoride in children to help prevent dental decay. USPSTF recommends that clinicians prescribe oral fluoride supplementation starting at age 6 months for children whose water supply is deficient in fluoride, and apply fluoride varnish to the primary teeth of infants and children starting at the age of primary tooth eruption. According to the Task Force's research, tooth decay is the most common chronic disease in children in the United States.

The USPSTF is an independent panel of non-federal government experts that conduct reviews of scientific evidence of preventive health care services. The USPSTF then develops and publishes recommendations for primary care clinicians and health systems in the form of recommendation statements. As part of their recommendations process, the USPSTF will assign definitions to the services they review based on the certainty that a patient will receive a substantial benefit from receiving the benefit. Services that are graded "A" and "B" are highly recommended and the USPSTF believes there is a high certainty that patient will receive a substantial or moderate benefit. Under ACA §1001, all of the 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 begin on or after September 23, 2010.

The USPSTF issued a "B" rating for the recommendation to provide fluoride supplementation beginning at age 6 for those children whose water supply doesn't have enough fluoride in it. According to the USPSTF, approximately 42% of children ages 2 to 11 years have dental decay in their primary teeth. The USPSTF also stated that the current evidence is insufficient to recommend that clinicians screen for tooth decay in children from birth to age 5. This recommendation received an "I" rating so it will not be a covered benefit under the ACA without cost-sharing.

Comments on the draft are due June 17, 2013 and can be submitted at:
uspreventiveservicestaskforce
Read the USPSTF's recommendations at:
http://www.uspreventiveservicestaskforce.org/draftrec.htm
Learn more about the USPSTF and the ACA at: Healthcare.Gov

5/16/13 CMS/HHS announced an open period for additional organizations to be considered for participation in Model 1 of the Bundled Payments for Care Improvement (BPCI) Initiative under ACA §3021. The funding opportunity is open to acute-care hospitals paid under the inpatient prospective payment systems (IPPS) and organizations that wish to convene acute care hospitals in a facilitator convener role are also eligible to be considered for participation in Model 1.

The initiative is designed to test how bundling payments for episodes of care can lower costs for Medicare and improve outcomes for beneficiaries. Under the BPCI models, organizations enter into payment arrangements that include performance and financial accountability for episodes of care. The program aligns payments for services delivered across an episode of care, such as heart bypass or hip replacement, rather than paying for services separately as Medicare currently does. Bundled payments are intended to give doctors and hospitals new incentives to coordinate care, improve the quality of care and save money for Medicare.

The BPCI initiative outlines 4 models of care. Models 1-3 involve a retrospective bundled payment, with a price for a defined episode of care, and Model 4 would be paid prospectively. Model 1 includes an episode of care focused on the acute care inpatient hospitalization. Model

1 awardees agree to provide a standard discount to Medicare from the usual Part A hospital inpatient payments. Medicare will continue to pay physicians separately for their services under the Medicare Physician Fee Schedule. Under certain circumstances, hospitals and physicians will be permitted to share gains arising from the providers' care redesign efforts. Participation will begin as early as April, 2013 but no later than January, 2014.

Applications are due July 31, 2013.

Read the Federal Register Notice at: GPO.Gov
Read more about the BPCI Initiative at: http://innovation.cms.gov/initiatives/Bundled-Payments/index.html

EOHHS News

MassHealth Section 1115 Demonstration Amendment
EOHHS plans to submit a request to amend the MassHealth Section 1115 Demonstration to the Centers for Medicare and Medicaid Services (CMS) on May 31, 2013. The MassHealth Section 1115 Demonstration provides federal authority for Massachusetts to expand eligibility to individuals who are not otherwise Medicaid or CHIP eligible, offer services that are not typically covered by Medicaid, and use innovative service delivery systems that improve care, increase efficiency, and reduce costs.

The Demonstration amendment request outlines the specific authorities being requested from CMS to implement changes consistent with the Affordable Care Act (ACA), affecting eligibility, benefits, programs and delivery systems, as well as changes to expenditure authorities under the Demonstration. An attachment to the Amendment is a Transition Plan that explains in additional detail how the State plans to coordinate the transition of individuals enrolled in the Demonstration to a new coverage option available under the ACA without interruption in coverage to the maximum extent possible.

The proposed Amendment and Transition Plan and additional relevant information are available at: Mass.Gov

Written comments must be received by EOHHS by 5 pm, May 30, 2013.

Comments may be sent to: anna.dunbar-hester@state.ma.us, or mailed to:
EOHHS, Office of Medicaid
Attn: Anna Dunbar-Hester
One Ashburton Place, 11th Floor
Boston, MA 02108

Upcoming Events

Integrating Medicare and Medicaid for Dual Eligible Individuals Implementation Council Meeting
June 7, 2013
1:00 PM - 4:00 PM
State Transportation Building, Conference Rooms 1, 2 and 3
10 Park Plaza
Boston, MA

The Implementation Council welcomes attendance at its meetings from all stakeholders and members of the public with interest in the Demonstration. 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.

Integrating Medicare and Medicaid for Dual Eligible Individuals Implementation Council Subcommittees

Continuity of Care, Access to Providers and Transparency and Monitoring Subcommittee
May 24, 2013
2:00-4:00pm
State Transportation Building
10 Park Plaza, 2nd Floor Conference Rooms 2 & 3
Boston, MA 02116

Cultural Competency and Population Specific Quality Metrics Subcommittee
May 29, 2013
11:00am - 1:00pm
Boston Public Library
700 Boylston Street - Mezzanine Conference Room
Boston, MA 02116

Due to space limitations, RSVPs are required. Interested stakeholders should contact Kate Russell at Kate.Russell@umassmed.edu by 5pm on Wednesday May 22nd to join either Implementation Council Subcommittee. Please include your name, contact information, affiliation, and subcommittee of interest. Reasonable accommodations are available upon request. Please contact Donna Kymalainen at Donna.Kymalainen@umassmed.edu to request accommodations.

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.