



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
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MassHealth
Eligibility Letter 183
November 15, 2008

TO: MassHealth Staff

FROM: Tom Dehner, Medicaid Director TD

RE: **Revisions to Regulations: Basic Benefit Level and the Insurance Partnership**

To comply with the Commonwealth Health Insurance Connector Authority regulations requiring all Massachusetts residents to have health insurance that meets minimum creditable coverage, MassHealth is revising the definition of Basic Benefit Level. This change ensures that MassHealth will only provide premium assistance for employer-sponsored health plans that meet the minimum creditable coverage standard.

In addition, MassHealth is revising the regulations to remove references to billing and enrollment intermediaries. These groups are no longer involved in the Insurance Partnership Program.

These regulations are effective December 15, 2008.

MANUAL UPKEEP

<u>Insert</u>	<u>Remove</u>	<u>Trans. By</u>
501.001 (1 of 6)	501.001 (1 of 6)	E.L. 95
501.001 (4 of 6)	501.001 (4 of 6)	E.L. 176

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501.001: Definition of Terms

The terms listed in 130 CMR 501.001 have the following meanings for the purposes of MassHealth, as described in 130 CMR 501.000 through 508.000.

Access to Health Insurance – the ability to obtain employer-sponsored health insurance for an uninsured family group member where an employer would contribute at least 50 percent of the premium cost, and the health insurance offered would meet the basic-benefit level.

American Indian or Alaska Native – a person who is a member of a federally recognized tribe, band, or group; or an Eskimo, Aleut, or other Alaska Native enrolled by the Secretary of the Interior, pursuant to the Alaska Native Claims Settlement Act, 43 U.S.C. 1601 et seq.

Appeal – a written request, by an aggrieved applicant or member, for a fair hearing.

Appeal Representative – a person who

- (1) is sufficiently aware of an appellant's circumstances to assume responsibility for the accuracy of the statements made during the appeal process, and who has provided the Board of Hearings with written authorization from the appellant to act on the appellant's behalf during the appeal process;
- (2) has, under applicable law, authority to act on behalf of an appellant in making decisions related to health care or payment for health care. An appeal representative may include, but is not limited to, a guardian, conservator, executor, administrator, holder of power of attorney, or health-care proxy; or
- (3) is an eligibility representative meeting the requirements of 130 CMR 501.001: Appeal Representative (1) or (2).

Applicant – a person who completes and submits a Medical Benefit Request.

Basic-Benefit Level (BBL) – benefits provided under a health-insurance plan that are comprehensive and comparable to benefits provided by insurers in the small-group health-insurance market and also meet minimum creditable coverage requirements as defined in 956 CMR 5.03. Health-insurance plans that meet the requirements of 211 CMR 64.00 also meet the BBL.

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Federal-Poverty Level (FPL) – income standards issued annually in the *Federal Register* to account for the last calendar year's increase in prices as measured by the Consumer Price Index.

Fee-for-Service – a method of paying for medical services provided by any MassHealth participating provider with no limit on provider choice.

Gross Income – the total money earned or unearned, such as wages, salaries, rents, pensions, or interest, received from any source without regard to deductions.

Health Insurance – coverage of health-care services by a health-insurance company, a hospital-service corporation, a medical-service corporation, a managed-care organization, or Medicare. Coverage of health-care services by the MassHealth agency (e.g., MassHealth or Children's Medical Security Plan (CMSP)) is not considered health insurance.

Health Safety Net – a source of funding for certain health care under 114.6 CMR 13.00 and 14.00.

Individual – any person not included in the definition of a family or couple.

Individual Policy – a health-insurance policy that covers the policyholder only.

Insurance Partnership Agent (IPA) – the organization under contract with the MassHealth agency to help administer the Insurance Partnership, as described in 130 CMR 650.009.

Interpreter – a person who translates for an applicant or member who has limited English proficiency or a hearing impairment.

Large Employer – an employer that

- (1) has more than 50 employees who work 30 or more hours a week;
- (2) offers health insurance that meets the basic-benefit level; and
- (3) contributes at least 50 percent of the cost of the employees' health-insurance premiums.

Limited English Proficiency – an inadequate ability to communicate in the English language.

Managed Care – a system of primary care and other medical services that are provided and coordinated by a MassHealth managed-care provider in accordance with the provisions of 130 CMR 450.117 et seq. and 130 CMR 508.000 et seq.

Managed-Care Organization (MCO) – any entity with which the MassHealth agency contracts to provide primary care and certain other medical services to members on a capitated basis, including an entity that is approved by the Massachusetts Division of Insurance as a health-maintenance organization (HMO), or that otherwise meets the State Plan definition of an HMO.