Affordable Care Act

- The Affordable Care Act provides for improved access to health coverage through:
  - Higher Medicaid income limits;
  - Mandated employer coverage (starting in 2015); and
  - New health plans offered through a marketplace, or Exchange, where people can make an apples to apples comparison of plan offerings. It is called the NY State of Health and is administered through the NYS Dept. of Health.

Affordable Care Act

- The Affordable Care Act also affords numerous consumer protections in most health insurance plans:
  - Pre-existing conditions are covered starting in 2014.
  - A standardized summary of benefits must be provided.
  - Insurance companies are held accountable for rate increases.
  - Coverage as dependent is available on a parent's policy up to age 26.
  - Preventive care is free, e.g. immunizations, pap smears, screening colonoscopies, well-woman visits, screening for gestational diabetes, domestic violence screening, breastfeeding supplies, contraception.
  - There are no lifetime and annual benefit limits.

Affordable Care Act

- Starting January 2014, everyone must have insurance.
  - Insurance must meet a minimum standard of quality:
    - Medicare; Medicaid or CHIP; TRICARE; Veteran's health program; Employer sponsored; Individual market; Grandfathered plan
  - Exemptions: financial hardship (contribution exceeds 8% of income, earn too little to file taxes), undocumented immigrants, religion, incarcerated, member of Indian tribe.

- 2014 penalty: greater of $95 or 1% family income/max. $285 family
- 2015 penalty: greater of $325 or 2% of family income, max. $975 family
- 2016 penalty: greater of $695 or 2.5% family income/max. $2,085 family

Affordable Care Act

- Medicaid income limits will increase in 2014. Those newly eligible will have the full Medicaid benefit package except institutional long term care. New Medicaid income limits are 138% of federal poverty guidelines:

Individual	$15,856/year
Family of 2	$21,404/year
Family of 3	$26,951/year
Family of 4	$32,499/year

- However, the old Medicaid budgeting rules will continue to apply to people who qualify for Medicaid based on disability, blindness, or being age 65 or over.

Affordable Care Act

- New health plans will be available in 2014 through NY State of Health, an organized marketplace or Exchange, designed to help people shop for and enroll in health insurance coverage.
  - Individuals, families and small businesses can use the Exchange to help them compare commercial insurance options, calculate costs and select coverage online, in person, over the phone, or by mail.
  - The Exchange will screen everybody for eligibility for programs like Medicaid and sign them up for these programs if they are eligible.
  - The Exchange will also be able to tell consumers what type of financial assistance is available to applicants to help them afford health insurance purchased through the Exchange.
  - Open enrollment runs from 1/1/2013 through 3/31/2014, and coverage will be effective January 1, 2014.

Affordable Care Act

- The new plans offered through NY State of Health Exchange will be available to citizens and legal permanent residents who do not have Medicare, coverage through employment, or other comprehensive coverage. People who are eligible include:
  - Singles and couples without children who have no disability certification (singles/childless couples)
  - Parents with children and pregnant women
  - People receiving SSDI less than 24 months and who do not yet have Medicare.

Affordable Care Act

- Plans will be offered in four tiers according to their actuarial value. Actuarial value refers to the share of covered expenses that a plan will cover for a typical group of enrollees. Plans with the same actuarial value may have different deductibles, coinsurance, and copays. A plan with a higher actuarial value will generally have a higher premium and lower out-of-pocket expenses. The four tiers are:
  - Bronze 60% actuarial value
  - Silver 70% actuarial value
  - Gold 80% actuarial value
  - Platinum 90% actuarial value.

Affordable Care Act

- Financial aid will be available to help pay for coverage purchased in the Exchange.
  - Premium subsidies to help cut the cost of health insurance, will be available for those with income up to 400% of federal poverty guidelines, which translates to the following annual income levels:

Individual	$46,960
Family of 2	$62,040
Family of 3	$78,120
Family of 4	$94,200

  - The premium subsidies are available to people who do not have an offer of employer coverage that pays on average at least 60% of covered medical expenses and has an employee share of premium that is less than 9.5% income.

Affordable Care Act

- The premium subsidy is tied to 2nd lowest silver plan in the area available to each household member.
- The premium subsidy lowers the premium to a percentage of income based on federal poverty guidelines

  133% FPL: 2%

  133-150% FPL: 3-4%

  150-200% FPL: 4-6.3%

  200-250% FPL: 6.3-8.05%

  250-300% FPL: 8.05-9%

  300-400% FPL: 9.5%

Affordable Care Act

- For example, a single person with an annual income of $17,000 is at 148% FPL and would pay about 4% of their income, or $56 a month, for the second lowest cost silver plan in their area. If the second lowest silver plan had a premium of $367, a $311 tax credit could be applied to a range of plans and would result in a monthly premium that is lower or higher, depending on the person’s plan preferences.

- A calculator is available to estimate eligibility for financial assistance at www.nystateofhealth.ny.gov/PremiumEstimator.

Affordable Care Act

- In addition to premium subsidies, cost sharing subsidies will be available to reduce deductibles, copays, and coinsurance for those with incomes less than 250% of the federal poverty level who enroll in a Silver plan. The subsidies increase the actuarial value of the plan.

- For those with income above 400% FPL, the maximum out of pocket limit for covered benefits will be approximately $6,350 in 2014 ($12,700 for family coverage). After the limit is reached, the plan will pay 100% of the covered cost. This out-of-pocket limit will be lowered on a sliding scale for those with incomes below 400% of federal poverty level (FPL).

Affordable Care Act

- Illustration of Individual Coverage Standard Plan Designs (draft)

  (separate handout)

Affordable Care Act

- Plans must cover 10 categories of essential health benefits:
  - Ambulatory patient services
  - Emergency services
  - Hospitalization
  - Maternity and newborn care
  - Mental health & substance abuse services
  - Prescription drugs
  - Rehabilitative and habilitative services and devices
  - Laboratory services
  - Preventive services and chronic disease management
  - Pediatric services, including oral and vision care

- The Essential Health Benefit package in New York is modeled on the benefit package of the Oxford small group plan.

Affordable Care Act

- Essential Health Benefits:
  - Office visits: primary and specialty care, outpatient surgery
  - Hospice: 210 days/year
  - Home health care services: 40 visits/year
  - Emergency room, urgent care centers, emergency transportation
  - Hospitalization, inpatient physician and surgical services, skilled nursing facility
  - Mental/behavioral outpatient and inpatient services – at parity
  - Substance use disorder inpatient and outpatient services – at parity

Affordable Care Act

- Prescriptions:
  - generic, preferred brand, non-preferred brand, specialty
    - 30 day supply at retail pharmacy
    - up to 90-day supply mail order (optional benefit)
  - Enteral formula, off-label cancer drugs

- Outpatient rehabilitation and habilitation services:
  - 60 visits per condition each, per lifetime

- Chiropractic care

Affordable Care Act

- Durable medical equipment (standard equipment only)
  - designed and intended for repeated use; primary and customarily used to serve a medical purpose; generally not useful in absence of disease or injury; appropriate for use in home
- Inpatient rehabilitation services
  - one consecutive 60-day period per condition per lifetime
- Hearing aids
  - one single purchase (including repair and replacement) every 3 years; bone anchored hearing aids excluded except when one of the following applies: craniofacial anomalies whose abnormal or absent ear canals preclude use of wearable hearing aid; or hearing loss of sufficient severity that would not be adequately remedied by wearable hearing aid

Affordable Care Act

- External prosthetic devices
  - one per limb per lifetime; wigs if suffering severe hair loss due to injury or disease or treatment of disease
- Internal prosthetic devices
  - if improves or restores function of internal body part; includes implanted breast prostheses

Affordable Care Act

- Diagnostic x-ray, lab work
- Imaging (CT/PET scans, MRI)
- Preventive care/screening/immunization
  - mammography (limits based on age), cervical cytology, gynecological exams, bone density, prostate cancer screening
- Gym membership reimbursement at limited dollar amounts
- Prenatal and postnatal care

Affordable Care Act

- Pediatric vision
  - Vision exams to determine need for corrective lenses and, if necessary, provide prescription
  - Prescription lenses; frames; contact lenses

- Pediatric dental
  - Emergency dental care
  - Checkup for children
  - Routine dental care
  - Major dental care (endodontics and prosthodontics)
  - Orthodontia

Affordable Care Act

- Infertility treatment if between ages 21-44
- Elective termination of pregnancy (one per year)
- Family planning service for women
- Sterilization procedures for men
- Chemotherapy
- Prostate cancer screening (age requirements)
- Breast reconstructive surgery after certain procedures
- Mastectomy care
- Diabetic equipment, supplies, education, and self-management

Affordable Care Act

- Autism spectrum disorder screening, diagnosis and treatment
  - (680 hours per plan year)
- Reconstructive and corrective surgery
- Second surgical opinion
- Second opinion – cancer specialist
- Bariatric surgery
- Transplants (non-experimental)
- Oral surgery

Affordable Care Act

Enrollment in Exchange plans:

- An application for coverage will be accepted via web-based portal; by phone; by mail; or in person.
  - Each consumer will register and create a password protected account to facilitate web-based enrollment.
  - Any consumer applying through the Exchange can seek the help of a Navigator or in-person assistor.
- Applicant will provide household information including income, residency, pregnancy status, age, and household size.

Affordable Care Act

- The information submitted will be electronically verified in real time against federal and state data sources.
- Consumer receives a determination as to whether their attestation is "reasonably compatible."
- Receives data summary and has opportunity to address discrepancies .
- Receives a determination of eligibility for Medicaid and PTC's .
- Selects a plan.
- Enrolls in a plan and makes the first payment.
- The Exchange will have a strong customer service component and built in appeal mechanisms.

Affordable Care Act

- Plan Selection Criteria
  - premium and cost sharing requirements
  - provider network
  - inpatient services
  - medications, including utilization management tools
  - specialty services, can specialist serve as PCP?
  - mental health services
  - potential discriminatory insurance practices

- Modified Adjusted Gross Income (MAGI) budgeting is used to determine eligibility for expanded Medicaid, premium tax credits, and cost sharing subsidies.

Affordable Care Act

- Coverage is not available through NY State of Health for non-MAGI populations. Old Medicaid budgeting rules apply.
  - Individuals eligible through blindness or disability
  - Individuals 65 and older when age is condition of eligibility
  - Individuals requesting coverage for long term care services
  - Medicaid Spenddown
  - Medicaid Buy-In for Working People with Disabilities
  - Medicare Savings Programs (QMB/SLMB/QI)
  - Cancer Services Program
  - Residents of adult homes, treatment centers, OMH residences

Affordable Care Act

- New York State of Health will ask:
  - Is consumer applying for or in a Residential Treatment Facility?
  - Is consumer blind?
  - Is consumer disabled or chronically ill?
  - Does consumer need waiver services, personal care, home care services?

- A consumer's answer to these questions may result in a referral to the Local Department of Social Services if individual is ineligible for coverage through NY State of Health.

Affordable Care Act

- Medicaid Buy-In for Working People with Disabilities
  - Allows people to work and access Medicaid's comprehensive benefits.
  - Age 16-14.
  - Income limits significantly higher than regular Medicaid income limits 250% FPL, using disability income disregards.
  - Resource limit $20,000 for singles, $30,000 for couples.
  - No minimum work requirement, but work must be documented and consistent month to month.
  - Disability documented by Social Security award letter or State Disability Review Team certification of disability, or CBVH certificate of blindness.
  - Six-month grace period if not working due to involuntary termination of employment or medical condition.

Affordable Care Act

- Medicaid Spenddown
  - Allows a person who has too much income to qualify for Medicaid by "spending down" excess income on medical expenses.
  - Example: a single, disabled individual has $900/month countable income, but in order to be eligible for Medicaid, he can only have $800 a month. Can "spend-down" $100 on medical expenses in order to qualify for Medicaid
    - submit paid or unpaid medical bills (like a monthly deductible)
    - send Medicaid a check (like a monthly premium)
    - set up pooled income trust to have surplus disregarded

Affordable Care Act

- 1619B Medicaid Continuation
  - allows individual to retain Medicaid if lose SSI due to increased earnings but otherwise meets SSI eligibility criteria, including the $2,000 resource limit.
  - Exact income limit depends on individual's medical expenses, at least $45,239 annually in 2013.

Affordable Care Act

- In the Exchange, all appeals of eligibility determinations for any of the insurance affordability products will all be handled by the same system, run by the Exchange and not the Fair Hearings Office
- Customer Service Center is the first stop – informal dispute resolution and assistance
  - Opportunity for a conference
  - Opportunity for a hearing
- TELEPHONE as the default
- In person when requested

Affordable Care Act

- Local social service districts and fair hearings office will continue to handle eligibility determinations and appeals for:
  - Non-MAGI populations (determinations based on age or disability)
  - Those with Long Term Care Needs
  - Those with spend down coverage.

- LDSS workers may become MAGI application counselors.

Affordable Care Act

Advocacy for Exchange Improvement

- The new eligibility system is far from the ideal originally envisioned. NYSDOH future IT builds include:
  - Complete automation for all Medicaid populations
  - Presumptive eligibility
  - Non-MAGI groups through Exchange
  - Improved plan selection functionality
  - Refined online screens for better user experience
  - Online application in Spanish
  - Access to information from other programs (cash assistance, SNAP)

Affordable Care Act

- ILCs, particularly those that are Navigators, need to collect the experiences of users with disabilities and report:
  - Are people who could benefit from more affordable and comprehensive coverage through Medicaid Spenddown, Medicaid Buy-in, and the Cancer Services Program finding out about these programs?
  - How is the hand-off of non-MAGI populations working?
  - Are people finding plans that include their primary care providers and specialists?
  - Are the Exchange and the Plans advising people of their right to accommodations and are people accessing needed accommodations?
  - Do the Plans have sufficient numbers of providers with accessible offices and equipment?

Affordable Care Act

Advocacy for more Affordable Coverage

- New York can get 95% of the premium tax credit dollars that would have otherwise gone to people with incomes between 138% and 200% of the Federal Poverty Level to establish a Basic Health Plan with no or minimal premium and minimal co-pays. It would be similar to Family Health Plus and have an actuarial value of 94%.

- Are people with incomes between 138% and 200% FPL finding Exchange coverage affordable and sufficient ?

Affordable Care Act

Thank you!

Please let us know what your consumers are experiencing.

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