



## AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

June 21, 2011

### 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 Announcements

**University Partnership Research Grants for the Health Profession Opportunity Grants (HPOG) Program, §5507.** Announced June 17, 2011. Funds are available to support new research and evaluation under the current Health Professions Opportunity Grants (HPOG) program. Researchers and scholars evaluate HPOGs by focusing on questions relevant to career track education and training programs in the health professions and related labor market issues. Public institutions of higher education, nonprofits, and small businesses are eligible to apply. The Administration for Children and Families expects to make 5 awards from a total of \$1.5 million. Applications are due August 5, 2011.

The announcement and application can be found at:

<http://www.acf.hhs.gov/grants/open/foa/view/HHS-2011-ACF-OPRE-PH-0145>

**National Dissemination and Support for Community Transformation Grants, §4201(c)(5).** Announced June 16, 2011. Funds will be awarded to support the current **Community Transformation Grant (CTG) program** by funding national networks of community-based organizations to support, disseminate and amplify successful program models and activities. CTGs focus on implementing evidence-based strategies in five priority areas: 1) tobacco-free living; 2) active living and healthy eating; 3) evidence-based quality clinical and other preventive services, specifically prevention and control of high blood pressure and high cholesterol; 4) social and emotional wellness, such as facilitating early identification of mental health needs and access to quality services, especially for people with chronic

conditions; and 5) healthy and safe physical environments. National networks of community based organizations are eligible to apply. The CDC expects to award 7 grants totaling more than \$4 million. Applications are due July 22, 2011.

The application and announcement can be found at: [Grant Announcement and Application](#)

## Guidance

**6/17/11** CMS/The Center for Consumer Information and Insurance Oversight (CCIIO) issued **guidance to allow limited benefit, or "mini-med" plans**, to apply for or renew a temporary waiver from annual limit restrictions through 2013. CMS announced that, **after September 22, 2011, no new applications or requests for extensions will be considered**. Requests to extend current waivers can keep them in place through 2014 as long as they meet requirements for transparency. Additionally, any plans receiving these waivers will have to alert consumers that the plan has restrictive coverage, including low annual limits that could result in high out-of-pocket spending if consumers need hospital or other high-cost services.

In 2014, as required by the ACA, annual limits for new health plans will be banned and comprehensive health insurance plans will be made available through Health Insurance Exchanges. Until 2014, CMS has allowed health plans to apply to "phase out" annual limits. CMS has granted temporary waivers from the annual limits provision of the law for plans that demonstrate that compliance with the phase-out of limits would result in a significant decrease in access to benefits or a significant increase in premiums.

This guidance imposes new, more stringent disclosure requirements and requires health plans with waivers to tell consumers that their health care coverage is subject to an annual dollar limit lower than what is allowed under the law. Insurers also must include the dollar amount of the annual limit along with a description of the plan benefits to which the limit applies. Plans also must show how the annual limit would affect a consumer who was hospitalized to help people understand how far their coverage will reach if they become seriously ill. Finally, plans with waivers must attest annually to their compliance with the consumer disclosure requirement.

Read the bulletin from CCIIO with details on the conclusion of the annual limit waiver process at:

[http://cciio.cms.gov/resources/files/06162011\\_annual\\_limit\\_guidance\\_2011-2012\\_final.pdf](http://cciio.cms.gov/resources/files/06162011_annual_limit_guidance_2011-2012_final.pdf)

For more information about the announcement, visit:

[www.HealthCare.gov/news/factsheets/annuallimit06172011a.html](http://www.HealthCare.gov/news/factsheets/annuallimit06172011a.html).

Read the CMS press release at: [CMS Press Release](#)

CMS released an updated list (as of June 2011) of insurance plans (broken down by city and state) whose applications for a waiver have been approved or denied. Read the list at:

[cciio.cms.gov/resources/files/approved\\_applications\\_for\\_waiver.html](http://cciio.cms.gov/resources/files/approved_applications_for_waiver.html)

## News

**6/16/11** Members of the National Prevention, Health Promotion, and Public Health Council, including HHS Secretary Kathleen Sebelius, Surgeon General Regina Benjamin (Council Chair) and Domestic Policy Council (DPC) Director Melody Barnes, **announced the release of the National Prevention and Health Promotion Strategy**, a comprehensive plan that will help increase the number of Americans who are healthy at every stage of life. The National Prevention Strategy emphasizes that good health is not only a product of receiving quality medical care, but is also derived from living in clean, safe and healthy communities. The

National Prevention Strategy is part of the ACA's focus on prevention and builds on the law's efforts to lower health care costs, improve the quality of care, and provide coverage options for the uninsured.

In June 2010, as required by §4001 of the ACA, President Obama created the National Prevention, Health Promotion, and Public Health Council. The **National Prevention Council** is charged with providing coordination and leadership at the federal level and among all executive departments and agencies with respect to prevention, wellness and health promotion practices. With input from the public and interested stakeholders, the National Prevention Council was charged with developing the National Prevention Strategy. In January 2011 (also per ACA requirements) the President created an Advisory Group on Prevention, Health Promotion, and Integrative and Public Health. The Advisory Group provides guidance to members of the National Prevention Council. Massachusetts Health and Human Services Secretary JudyAnn Bigby, M.D. was named to serve on the Advisory Group.

Read about the Strategy at:

<http://www.healthcare.gov/center/councils/nphpphc/strategy/report.pdf>

More information on the Strategy can be found at:

<http://www.healthcare.gov/center/councils/nphpphc/strategy/index.html>

Read the HHS press release at: <http://www.hhs.gov/news/press/2011pres/06/20110616a.html>

**6/15/11** The Medicaid and CHIP Payment and Access Commission (**MACPAC**) released its **second report to Congress called The Evolution of Managed Care in Medicaid**. The report examines managed care in Medicaid, focusing on the enrollees served, participating plans, spending, payment, access, data, and program accountability. This report finds that managed-care enrollment in Medicaid grew from 15% of enrollees in 1995 to 47% in 2009. The report also finds that the percentage of Medicaid beneficiaries who are in risk-based managed-care plans is continuing to increase as state officials expand the programs further to populations that traditionally have been a small fraction of those enrolled in managed care, such as people with disabilities. The first report submitted in March provided an overview of how the Medicaid and CHIP programs operate and outlined key facts about them. MACPAC was established by the Children's Health Insurance Program Reauthorization Act and later expanded and funded through the ACA. MACPAC is tasked with reviewing state and federal Medicaid and CHIP access and payment policies and making recommendations to Congress, the HHS Secretary, and the states on a wide range of issues affecting Medicaid and CHIP populations, including health care reform.

Read the MACPAC report at: [MACPAC Report](#)

**6/14/11** The Government Accountability Office (GAO) released a **report that reviewed the "mini-med" waivers that HHS granted** to insurance organizations from the ACA's restrictions on annual limits on health benefits. These organizations were granted one-year waivers, temporarily exempting them from the annual limit requirements of the ACA that begin in 2014 by certifying to HHS/The Center for Consumer Information and Insurance Oversight (CCIIO) that a waiver is necessary to prevent either a large increase in premiums or a significant decrease in access to coverage and benefits. Plans receiving waivers must also notify enrollees that their plan does not meet the coverage requirements of the ACA.

According to the GAO's findings, as of April 25, 2011, HHS/CCIIO had granted nearly 1,400 annual limits waivers. Waivers were generally granted to organizations when compliance with the new rules would increase a plan's premiums by more than 10% and most denials were to applicants whose increase would have been less than 6%.

Read the report at: <http://www.gao.gov/new.items/d11725r.pdf>

To read a breakdown of the types of applicants and learn more, visit CCIIO's website at:

[http://cciio.cms.gov/resources/files/approved\\_applications\\_for\\_waiver.html](http://cciio.cms.gov/resources/files/approved_applications_for_waiver.html)

## EOHHS News

**6/21/11** EOHHS held a **Quarterly Federal Health Reform Implementation Stakeholder Meeting** and the agenda included presentations on recent ACA implementation activities as well as a question and answer session. Secretary JudyAnn Bigby, M.D. opened the meeting by highlighting many of the states "Year One Accomplishments", which include applying for and receiving approximately \$160 million in grants and demonstration projects. A presentation was given that summarized the work and progress of the subsidized insurance workgroup, which is tasked with analyzing and recommending the state's approach for delivering subsidized insurance. Stakeholders also heard about the ongoing work to implement the Early Innovators grant, which will create Health Insurance Exchange Information Technology components in Massachusetts that are consumer-focused, cost-effective, reusable, and sustainable and that can be leveraged by New England and other states.

The presentations from the meeting are posted on our website under Quarterly Stakeholder Meetings at: [Presentations](#)

**6/14/11** During a recent National Association of Insurance Commissioners (NAIC) conference, **Massachusetts Commissioner of Insurance Joseph G. Murphy was elected to the Executive Committee and as Secretary-Treasurer of the NAIC's Northeast Zone.** As Secretary-Treasurer of the Northeast Zone, Murphy widens his leadership role in a region that extends through New England to Washington, D.C. The new position also expands his insight to national insurance issues.

**6/10/11** The state's national health reform website continues to be revised and now hosts a **new "Integrating Medicare and Medicaid for Dual Eligible Individuals" page.** The webpage features the work happening at EOHHS to develop a new Integrated Care model for Dual eligible adults ages 21-64 for statewide implementation. In April 2011, EOHHS was awarded a Design Contract from the federal government to propose such a demonstration. Check this website to learn more about this initiative, view materials from previous meetings and learn about upcoming meetings. The next meeting is scheduled for June 28, 2011, 12-2pm at the State Transportation Building in Boston. Bookmark this easy address to explore the new webpage and learn more! <http://www.mass.gov/masshealth/duals>

Don't forget to add the **Massachusetts National Health Care Reform website** to your favorites: <http://www.mass.gov/nationalhealthreform>