



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

August 12, 2013

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

National Public Health Improvement Initiative (NPHII) - Capacity Building Assistance to Strengthen Public Health Infrastructure and Performance - Laboratory Efficiencies Initiative Supplement ACA §4002. Announced July 31, 2013. Funding is available to support public health laboratories to test public health priorities identified by the state, other health authorities and the CDC. Entities receiving funding under the CDC National Public Health Improvement Initiative and that operate the official public health laboratory in that state/jurisdiction are eligible to apply. Grantees will use the funding to support a consortium of public health laboratories to share test services in order to improve efficiency. In addition, grantees will review the ability to share test services to review its sustainability. This grant opportunity will help identify, develop and disseminate successful strategies and lessons learned for a broader adoption by public health laboratories. \$200,000 in 10 awards is available.

Applications are due August 30, 2013.

The announcement can be viewed at:

www.grants.gov/custom/viewOppDetails.jsp?oppId=238904

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

8/7/13 The U.S. Office of Personnel Management (OPM) issued a proposed rule called "Federal Employees Health Benefits Program: Members of Congress and Congressional Staff."

The proposed rule amends the Federal Employees Health Benefits (FEHB) Program eligibility regulations regarding coverage for Members of Congress and congressional staff in order to comply with ACA §1312. The proposed rule limits the availability of health benefits plans available for purchase by Members of Congress and congressional staff through OPM.

§1312 specifies that the only health plans that the federal Government may make available under the FEHB Program are those that are either "created under" the ACA, or "offered through an Exchange established under" the Act. The health benefits plans for which OPM currently contracts with are not created under the ACA, nor are they offered through the Exchanges. As a result, Members of Congress and congressional staff who are employed by the official office of a Member of Congress may no longer purchase the health benefits plans with which OPM currently contracts.

Members of Congress and their congressional staff who are no longer eligible for enrollment in an FEHB health benefits plan will continue to receive a contribution from the federal Government toward the cost of their premiums for health plans purchased on the Exchange. According to the proposed rule, the amount of the employer contribution will be no greater than the federal Government contribution provided for other Federal employees eligible for FEHB coverage. OPM annually determines the federal Government contribution based on the average of health plan premiums for the two types of enrollments (self only and self and family) allowed in the FEHB Program.

Comments are due September 9, 2013.

Read the OPM Frequently Asked Questions Document at: [OPM.Gov](http://www.opm.gov)

Read the proposed rule (which was published in the Federal Register on August 8, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-08-08/pdf/2013-19222.pdf>

8/6/13 HHS/CMS issued a notice under the Privacy Act of 1974 that announces the establishment of a Computer Matching Program (CMP) that CMS plans to conduct with the Social Security Administration (SSA) for determining enrollment or eligibility for insurance affordability programs under the ACA.

ACA §1411 and §1413 require the Secretary of HHS to establish a program for determining eligibility for certain Insurance Affordability Programs and certifications of Exemption, to authorize use of secure, electronic interfaces and to create an on-line system for the verification of eligibility.

According to the notice, the purpose of the Computer Matching Agreement (CMA) is to establish the terms, conditions, safeguards, and procedures under which SSA will disclose information to CMS in connection with the administration of ACA Insurance Affordability Programs and its implementing regulations. Under the CMA, SSA will provide data to CMS and CMS will use SSA data needed to make initial eligibility determinations, eligibility redeterminations and renewal decisions, including appeal determinations, for Insurance

Affordability Programs under the ACA.

Comments on the notice are due 30 days after its publication in the Federal Register.

Read the notice (which was published in the Federal Register on August 7, 2013) at:
<http://www.gpo.gov/fdsys/pkg/FR-2013-08-07/pdf/2013-19014.pdf>

8/5/13 IRS/Treasury issued Notice 2013-51 "Branded Prescription Drug Fee; Guidance for the 2014 Fee Year." Under ACA §9008, the IRS imposes an annual fee on entities engaged in manufacturing or importing branded prescription drugs. Under the requirement, a non-deductible annual flat fee of \$2.3 billion is imposed on the pharmaceutical manufacturing sector. The fee is allocated across the industry according to market share and is not applied to companies with sales of branded pharmaceuticals of \$5 million or less.

This notice provides guidance on the branded prescription drug fee for the 2014 fee year related to various reporting requirements such as the time and manner for notifying covered entities of their preliminary fee calculation, the time and manner for submitting error reports for the dispute resolution process, and the time for notifying covered entities of their final fee calculation.

IRS/Treasury issued [temporary regulations](#) and a notice of [proposed rulemaking](#) which published in the Federal Register on August 18, 2011.

Read the regulations at: [Regulations](#)

Read Notice 2013-51 at: <http://www.irs.gov/pub/irs-drop/n-13-51.pdf>

8/2/13 HHS/CMS issued an ACA-related final rule called "Medicare Program; FY 2014 Hospice Wage Index and Payment Rate Update; Hospice Quality Reporting Requirements; and Updates on Payment Reform." The rule implements portions of ACA §3004, §3132, §3137 and §3401. The regulations are effective October 1, 2013.

The final rule updates fiscal year (FY) 2014 Medicare payment rates and the wage index for hospices serving Medicare beneficiaries. According to CMS, the hospice payment rule reflects the ongoing agency efforts to support beneficiary access to hospice. Hospices will receive an estimated 1% (or \$160 million) increase in their payments for FY 2014. The hospice payment increase is the net result of a hospice payment update of 1.7% (a "hospital market basket" which accounts for certain increases and reductions as mandated by law), and a 0.7% decrease in payments to hospices due to updated wage data and the fifth year of CMS' seven-year phase-out of its wage index budget neutrality adjustment factor (BNAF). The final rule also clarifies how hospices will report diagnoses on hospice claims and changes the requirements for the hospice quality reporting program.

Read the final rule (which was published in the Federal Register on August 7, 2013) at:

<http://www.gpo.gov/fdsys/pkg/FR-2013-08-07/pdf/2013-18838.pdf>

7/31/13 CMS/HHS issued an ACA-related final rule called "Medicare Program; Inpatient Rehabilitation Facility Prospective Payment System for Federal Fiscal Year 2014." The rule implements portions of ACA §3004, §3137, §3401 and §10319. The provisions of the final rule are effective October 1, 2013 and October 1, 2014.

The final rule updates the prospective payment system (PPS) rates for inpatient rehabilitation facilities (IRFs) for fiscal year (FY) 2014 for discharges occurring between October 1, 2013 and September 30, 2014. The final rule revises the list of diagnosis codes that may be counted toward an IRF's "60% rule" compliance calculation to determine "presumptive compliance," an initial standard of review of a patient's diagnosis codes. In order to be excluded from the

hospital inpatient PPS and be paid at the higher IRF PPS rates, an IRF must demonstrate that at least 60% of its patients require intensive inpatient rehabilitation services for one or more of 13 specified conditions. If an IRF does not meet the requirements with the presumptive compliance method, it will then be evaluated using medical review.

The final rule also updates the IRF facility-level adjustment factors by using an enhanced estimation methodology, revises certain requirements for acute care hospitals that have IRF units and updates quality measures and reporting requirements under the IRF quality reporting program.

CMS estimates that aggregate payments to IRFs will increase in FY 2014 by \$170 million (or 2.3%), relative to payments in FY 2013. According to CMS, the estimated increase is attributable to a 1.8% payment update, which includes a 2.6% estimated market basket.

Read the final rule (which was published in the Federal Register on August 6, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-08-06/pdf/2013-18770.pdf>

7/31/13 CMS/HHS issued an ACA-related final rule called "Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities for FY 2014." The rule implements portions of ACA §3108, §3137 and §3401. The final rule is effective on October 1, 2013.

The final rule updates the payment rates used under the prospective payment system (PPS) for skilled nursing facilities (SNFs) for FY 2014. In addition, it revises and rebases the SNF market basket, revises and updates the labor related share, and makes certain technical revisions to previous regulations.

To ensure accuracy in case-mix assignment and payment, in the final rule CMS adds an item to the Minimum Data Set (MDS) to record the number of distinct calendar days of therapy provided by all the rehabilitation disciplines to a beneficiary over the seven-day look-back period.

Based on the changes contained within the final rule, CMS estimates that aggregate payments to SNFs will increase by \$470 million (or 1.3%) for FY 2014 relative to payments in FY 2013. According to CMS, the estimated increase is attributable to the 2.3% market basket increase.

Read the final rule (which was published in the Federal Register on August 6, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-08-06/pdf/2013-18776.pdf>

Prior guidance can be found at: <http://www.hhs.gov/healthcare/index.html>

News

8/1/2013 HHS announced the launch of a new one-stop-shop website that provides information to employers regarding the ACA. The website delivers comprehensive materials and tools that will ensure all employers have information regarding tax credits and other provisions of the law from Small Business Administration, the Department of Health and Human Services (HHS), and the Treasury Department. In addition, employers can enter in the location and size of their business to get information tailored to their situation.

The ACA established Affordable Health Insurance Exchanges (§1311(b)) to provide individuals and small business employees with access to health insurance coverage beginning January 1, 2014, where low and moderate income Americans will be eligible for premium tax credits (§1401, §1411) to make purchasing a health plan more affordable by reducing out-of-pocket

costs. A small business health care tax credit is also available under ACA §1421 to small employers that pay at least half of the cost of individual coverage for their employees.

Visit the new website at: <http://business.usa.gov/healthcare>

For more information, view the press release:

<http://www.hhs.gov/news/press/2013pres/08/20130801a.html>

Additional information on the small business tax credit can be found at:

<https://www.healthcare.gov/will-i-qualify-for-small-business-health-care-tax-credits/>

Upcoming Events

State Forums for Employers on Federal Health Reform

The Health Connector and Associated Industries of Massachusetts (AIM) are teaming up by holding events for employers to hear from and speak with executives from key regulatory agencies on National Health Reform and its implementation in the Commonwealth. AIM's in-house experts will discuss day-to-day management, timelines, compliance and administrative implications for the employer community.

September 9, 2013 | Delaney House, 1 Country Club Rd., Holyoke

September 11, 2013 | Taunton Holiday Inn, 700 Miles Standish Blvd., Taunton

September 13, 2013 | Holiday Inn, 1 Newbury St., Peabody

September 16, 2013 | UMass Medical School Faculty Conference Room, 55 N. Lake Ave., Worcester

September 17, 2013 | Berkshire Community College, Boland Theater, 1350 West St., Pittsfield

September 18, 2013 | Dedham Holiday Inn, 55 Ariadne Rd., Dedham

September 20, 2013 | Cape Codder, 1225 Iyannough Rd., Hyannis

All programs take place from 9:00 AM -11:00 AM. Check-in is at 8:30 AM. There is no fee to attend these events, however, registration is required. To register, visit:

www.aimnet.org/thesolution

Integrating Medicare and Medicaid for Dual Eligible Individuals Implementation Council Meeting

August 15, 2013

1:00 PM - 3:00 PM

1 Ashburton Place, 21st Floor, Conference Rooms 1, 2 & 3

Boston, MA

MBTA and driving directions to 1 Ashburton Place are located here:

<http://www.mass.gov/anf/employment-equal-access-disability/employee-prog-and-training/training-and-learning-dev/directions/boston-training-sites/one-ashburton-place.html>

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.

Massachusetts Health Homes Initiative Public Forum

August 22, 2013

1:30 PM - 3:30 PM

Worcester Public Library, Saxe Room

3 Salem Street

Worcester, MA

Reasonable accommodations are available upon request. Please contact Donna Kymalainen at Donna.Kymalainen@state.ma.us to request accommodations.

Quarterly Affordable Care Act Implementation Stakeholder Meeting

September 16, 2013

1:30 PM - 2:30 PM

1 Ashburton Place, 21st Floor

Boston, MA

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.