



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

August 19, 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

Immunization Increasing Human Papillomavirus (HPV) Vaccination Coverage Rates among Adolescents, ACA §4002. Announced August 8, 2013. Funding is available to address the barriers to increasing HPV vaccination coverage. Entities currently receiving funding under the "Immunization and Vaccine for Children Program" are eligible to apply. Grantees will create a campaign to increase HPV vaccination among adolescents. Funding will also be used to evaluate and improve the administration of the 3-dose HPV vaccine. In addition, grantees will also work with immunization providers to increase knowledge regarding HPV-related diseases and HPV vaccine safety. Letters of intent, although not mandatory, are due August 16, 2013. Applications are due September 9, 2013.

The announcement can be viewed at: [Grants.gov](#)

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

8/13/13 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 IRS/Treasury, for verifying income and 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, providing certifications of exemption, and authorizing the use of secure, electronic interfaces and 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 governing the disclosures of return information by the IRS to CMS and by CMS to an Administering Entity (state agencies that administer Medicaid or CHIP, and State-based Exchanges and Marketplaces) through the CMS Data Services Hub created to support the verification of household income and family size for an applicant receiving an eligibility determination under the ACA.

ACA §1414 authorizes the disclosure of certain items of return information as part of the eligibility determination process for enrollment in the following Insurance Affordability Programs: advance payments of the premium tax credit (§1401, §1411 and §1412); cost sharing reductions (§1402); Medicaid and the Children's Health Insurance Program (CHIP), under titles XIX and XXI of the Social Security Act (pursuant to §1413); or a State's Basic Health Program (BHP), if applicable, under §1331.

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 14, 2013) at:
<http://www.gpo.gov/fdsys/pkg/FR-2013-08-14/pdf/2013-19722.pdf>

8/13/13 IRS/Treasury issued final regulations called "Regulations Pertaining to the Disclosure of Return Information to Carry Out Eligibility Requirements for Health Insurance Affordability Programs." According to the IRS, the document contains final regulations relating to the disclosure of return information under section 6103(l)(21) of the Internal Revenue Code, as enacted by ACA §1414.

On April 27, 2012, IRS/Treasury issued [proposed regulations](#) with rules for disclosure of return information to be used to carry out eligibility determinations for advance payments of the premium tax credit (§1402), Medicaid and other ACA health insurance affordability programs. The period to submit comments on the proposed regulations has ended.

After an individual submits an application to the Exchange or a state agency for financial assistance in obtaining health coverage, the ACA allows the IRS to disclose certain pieces of information. States and Exchanges must also meet confidentiality requirements with respect to the items of return information they will receive. The Internal Revenue Code permits the disclosure of return information to assist Exchanges in performing certain functions set forth in ACA §1311 for which income verification is required (including determinations of eligibility for the insurance affordability programs described in the ACA), as well as to assist state agencies administering a State Medicaid program, a State's Children's Health Insurance Program (CHIP), or a basic health program (BHP) under ACA §1331 (if applicable). The proposed regulations define certain items of return information under section 6103(l)(21) that might indicate whether an individual is eligible for the premium tax credit or cost-sharing reductions under §1402.

In addition to authorizing the disclosure of information related to the aforementioned eligibility determinations, the requirements also authorize the disclosure of additional items such as: taxpayer identity information, filing status, the number of individuals for whom a deduction is allowed, the taxpayer's modified adjusted gross income (MAGI) as defined under section 36B of the Internal Revenue Code. The adoption of MAGI will standardize the income calculation nationally. A 5% across-the-board income disregard will apply for all MAGI populations, but there will no longer be any other disregards applied,

unless an individual falls into one of the populations exempted from MAGI rules (such as the elderly or the disabled).

Read the final regulations (which were published in the Federal Register on August 14, 2013) at:

<http://www.gpo.gov/fdsys/pkg/FR-2013-08-14/pdf/2013-19728.pdf>

8/12/13 HHS/CMS issued a correction to a final rule called "Medicare Program; Revisions to Payment Policies Under the Physician Fee Schedule, DME Face-to-Face Encounters, Elimination of the Requirement for Termination of Non-Random Prepayment Complex Medical Review and Other Revisions to Part B for CY 2013." The correcting document is effective on August 12, 2013 and is applicable beginning January 1, 2013.

The document corrects technical errors that appeared in the [final rule](#) published in the Federal Register on November 16, 2012. The rule implements portions of the following ACA sections: 3002, 3003, 3025, 3104, 3105, 3134, 3135, 4105, 6407, 10311 and 10331. The rule addresses changes to the physician fee schedule, payments for Part B drugs, and other Medicare Part B payment policies. It also implements provisions of the ACA that establish a face-to-face encounter as a condition of Medicare payment for certain durable medical equipment (DME) items. The rule also continues the implementation of the physician value-based payment modifier that was included in the ACA by providing choices to physicians regarding how to participate.

Read the correction at: <http://www.gpo.gov/fdsys/pkg/FR-2013-08-12/pdf/2013-19378.pdf>

8/2/13 CMS/HHS issued an ACA-related final rule called "Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Fiscal Year 2014 Rates; Quality Reporting Requirements for Specific Providers; Hospital Conditions of Participation; Payment Policies Related to Patient Status." The rule implements portions of the following ACA sections: 3001, 3004, 3005, 3008, 3021, 3025, 3106, 3123, 3124, 3125, 3133, 3141, 5503, 5504, 5506, 3313, 3401, 10309, 10312, 10313, 10316, 10319, 10322 and 10324.

The final rule updates fiscal year (FY) 2014 Medicare payment policies and rates under the Inpatient Prospective Payment System (IPPS) and the Long-Term Care Hospital Prospective Payment System (LTCH PPS). The final rule, which applies to approximately 3,400 acute care hospitals and approximately 440 LTCHs, will generally be effective for discharges occurring on or after October 1, 2013. According to CMS, under the rule, operating rates for inpatient stays in general acute care hospitals paid under the IPPS that successfully participate in the Hospital Inpatient Quality Reporting (IQR) Program will be increased by 0.7%. Those that do not successfully participate in the Hospital IQR Program will receive a 2.0% reduction in their annual increase. Beginning with FY 2015, hospitals that do not participate will lose one-quarter of a percentage increase in their payment updates.

Based on changes in the final rule, Medicare payments to LTCHs in FY 2014 are projected to increase by approximately \$72 million (or 1.3%) as compared to FY 2013 Medicare payments. Total IPPS payments (capital and operating payments) are projected to increase by \$1.2 billion.

In addition to setting the standards for payments for Medicare-covered inpatient services, the FY 2014 hospital payment rule describes the process for implementing the new Hospital-Acquired Conditions (HAC) Reduction Program, which will begin in FY 2015. The rule updates measures and financial incentives in the Hospital Value-Based Purchasing (VBP) and Readmissions Reduction programs. Additionally, the rule makes several changes relating to direct graduate medical education (GME) and indirect medical education (IME) payments and also establishes new or revised requirements for quality reporting by specific providers (acute care hospitals, PPS-exempt cancer hospitals, LTCHs, and inpatient psychiatric facilities (IPFs)) that are participating in Medicare.

Read the final rule (which was published in the Federal Register on August 19, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-08-19/pdf/2013-18956.pdf>

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

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

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@umassmed.edu 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.