



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

November 25, 2013

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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 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: [Mass.Gov](#)

Guidance

11/15/13 CMS/HHS published a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on proposed information collection activities related to the evaluation of the rural community hospital demonstration (RCHD). ACA §10313 extended and expanded the RCHD.

The RCHD is a demonstration that aims to provide information that can be used to assess the feasibility of establishing a new category of rural community hospitals for reimbursement policy.

Originally created in 2003, the RCHD provides enhanced reimbursement for inpatient services to small rural hospitals that do not qualify as critical access hospitals (CAHs). The RCHD is intended to increase the capability of these hospitals to meet the health care needs of rural beneficiaries in their service areas. As of January 2013, 23 hospitals from 11 states were

participating in the RCHD. The number includes seven hospitals from the original demonstration (as authorized in 2003) and 15 new hospitals that joined under the expansion authorized under the ACA.

In assessing the impact of the RCHD, the evaluation will examine how RCHD hospitals responded to payment options and assess how the costs to Medicare under RCHD compare to existing alternative payment options.

Comments are due January 14, 2014.

Read the notice at: <http://www.gpo.gov/fdsys/pkg/FR-2013-11-15/pdf/2013-27305.pdf> (see item #1)

11/15/13 CMS/HHS published a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on proposed information collection activities related to the State-based Health Insurance Marketplace (or Exchange) Annual Report.

According to CMS, the annual report is the chief tool to insure compliance with all reporting requirements contained in the ACA. Specifically, §1313(a)(1) requires a State-based Health Insurance Marketplace (SBM) to preserve an accurate accounting of all activities, receipts, and expenditures, and to submit a report annually to the HHS Secretary concerning such accounting. HHS will use the information collected from states to determine if a state is maintaining a compliant and operational Exchange and provide HHS with any information regarding known or potential changes in an SBM's priorities and approaches for the upcoming year.

The ACA established Affordable 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 premium costs. If states choose not to run either a State-Based Exchange or a State-Federal Partnership Exchange, HHS will operate a Federally-facilitated Exchange (§1321).

Comments are due January 14, 2014.

Read the notice at: <http://www.gpo.gov/fdsys/pkg/FR-2013-11-15/pdf/2013-27305.pdf> (see item #2)

11/14/13 The Obama Administration announced a transitional policy that may allow individuals with non-ACA compliant insurance policies to remain on their current health insurance plans through 2014. The policy would give insurers the option (if approved by the state's Insurance Commissioner) to renew their current policies for current enrollees without adopting the ACA-required insurance market protections scheduled in begin 2014. The proposed change would affect individuals and families who buy plans directly from insurers as well as small-employer plans that didn't meet ACA requirements. The rule applies only to individuals and small businesses with coverage that was in effect on October 1, 2013 (it does not apply to individuals and small businesses that obtain new coverage after October 1, 2013).

In Massachusetts, where state reforms virtually eliminated policies that didn't already conform to ACA standards, officials decided not to take up the administration's option and will not allow health insurance issuers that do not conform to the requirements of the ACA and the Massachusetts insurance law and regulations to renew or otherwise continue existing policies.

The Obama administration's proposal requires insurers offering such renewals to ensure consumers are informed about their other options under the ACA. Insurers offering these renewals must inform policyholders about the protections their renewed plan will not include and what benefits they would be foregoing by not signing up with health plans that meet the ACA's essential benefits standard (EHB) standards. Health plans would also have to tell consumers about the new options on the Exchanges that offer more comprehensive coverage and about that they might qualify for financial assistance on the Exchange, such as tax credits or be eligible for Medicaid.

Beginning October 1, 2013, qualified individuals and qualified employees could purchase private health insurance coverage through Exchanges (Marketplaces) for January 1, 2014 effective dates. The ACA established Affordable 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 premium costs.

As required under ACA §1302(b), EHBs are a package of medical services and treatments which includes ambulatory and emergency care, maternity care, prescription drugs and other comprehensive health care services in 10 statutory benefit categories, and are equal in scope to a typical employer health plan. Absent the transitional policy, effective January 1, 2014, all plans sold in the exchanges and through the small group and individual markets must be equal in scope to the benefits covered by a typical employer plan and offer an EHB package of medical services and treatments in the ten prescribed categories.

Read the Massachusetts' Division of Insurance Commissioner's letter to CCIO at:
<http://www.mass.gov/ocabr/docs/doi/letter-to-ccio-gary-cohen-11-18-13.pdf>

Read CCIO's letter to Insurance Commissioners at:
<http://www.cms.gov/CCIIO/Resources/Letters/Downloads/commissioner-letter-11-14-2013.PDF>

11/14/13 HHS/CMS released a notice called "Patient Protection and Affordable Care Act; Exchanges and Qualified Health Plans, Quality Rating System (QRS), Framework Measures and Methodology." In order to support the delivery of quality health care coverage offered in the Exchanges, §1311(c)(3) and (c)(4) direct the HHS Secretary to develop a system that rates qualified health plans (QHPs) based on their relative quality and price.

The notice describes the overall Quality Rating System (QRS) framework for rating Qualified Health Plans (QHPs) offered through an Exchange (Marketplace). The notice solicits comments on the list of proposed QRS quality measures that QHP issuers would be required to collect and report, the hierarchical structure of the measure sets, the elements of the QRS rating methodology and on ways to ensure the integrity of QRS ratings.

The ACA established Affordable 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 premium costs. QHPs are health plans that have been certified by an Exchange, provide essential health benefits (§1301) and follow established limits on cost-sharing (like deductibles, copayments, and out-of-pocket maximum amounts).

Comments are due January 21, 2014.

Read the notice (which was published in the Federal Register on November 19, 2013) at: <http://www.gpo.gov/fdsys/pkg/FR-2013-11-19/pdf/2013-27649.pdf>

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

News

11/18/13 The Patient-Centered Outcomes Research Institute (PCORI) Board of Governors convened and approved a Fiscal Year 2014 budget and a resolution to commit approximately \$1 billion in research funding over the next two fiscal years.

The Board also approved a revised strategic plan and charters for new advisory panels. Created under ACA §6301, PCORI is an independent nonprofit organization, tasked with conducting patient-centered outcomes research and studies.

The Fiscal Year 2014 budget includes \$182 million in expenditures and up to \$528 million for research funding commitments. According to a budget resolution passed at the meeting, PCORI can commit up to \$1.03 billion in research funding over the next two fiscal years.

At the meeting, the Board approved the strategic plan originally drafted by PCORI's Methodology Committee in 2012 and revised after a public comment period.

The strategic plan lays out three strategic goals necessary to advance PCORI's patient-centered outcomes research over the next several years: 1) Substantially increase the quantity, quality and timeliness of useful, reliable evidence to improve healthcare decision making; 2) speed the implementation and use of findings from patient-centered research; and 3) influence clinical and healthcare research funded by others to be more patient centered. Proposed studies are required to adhere to relevant PCORI methodology standards.

Additionally, the Board approved the charters for two new advisory panels required by PCORI's authorizing legislation, ACA §6301: 1) Rare Disease and 2) Clinical Trials. The new panels will meet for the first time in the spring of 2014.

View the revised PCORI Methodology Standards at: <http://www.pcori.org/assets/PCORI-Methodology-Standards1.pdf>

For application information about the application process for the new advisory panels, visit: <http://www.pcori.org/get-involved/pcori-advisory-panels/>

For more information about PCORI funding opportunities, visit: www.pcori.org/funding-opportunities.

For more information about PCORI, visit www.pcori.org

11/14/13- 11/15/13 The Medicaid and CHIP Payment and Access Commission (MACPAC) met to examine key issues such as the future of CHIP (both short and long term and both nationally and at the state level) and Medicaid interactions with the ACA. MACPAC Commissioners discussed key CHIP policy issues, including: eliminating CHIP waiting periods, eliminating the potential for "premium stacking" by eliminating CHIP premiums when parents have subsidized exchange coverage and the impact on uninsurance rates, benefits and affordability if CHIP is eliminated.

Other topics included ACA eligibility changes, long-term care and Medicaid Non-DSH Supplemental Payments. MACPAC Commissioners heard presentations about Medicaid churning among parents and childless adults, issues in pregnancy coverage under Medicaid and the

Exchanges as well as program integrity concerns related to the ACA.

MACPAC was established by the Children's Health Insurance Program Reauthorization Act and later expanded and funded through ACA §2801 and §10607. The commission consists of experts, government officials, executives and medical professionals. 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. As required by statute, MACPAC submits reports to Congress annually in March and June which contain recommendations on a wide range of issues affecting Medicaid and CHIP.

View the agenda at:

<http://www.macpac.gov/home/meetings/agenda-november-2013-meeting>

View the meeting materials at: <http://www.macpac.gov/home/meetings/2013-11>

Commonwealth of MA News

MassHealth and Health Safety Net Regulation Changes

EOHHS has posted proposed changes to MassHealth and Health Safety Net regulations to implement the Affordable Care Act (ACA). The proposed changes will affect MassHealth and Health Safety Net eligibility, benefits, and operational processes. Specifically, the regulation changes implement the categorical and financial requirements for MassHealth programs authorized by the ACA and changes in Massachusetts state law. In addition, the proposed regulations describe operational changes in the application and redetermination processes.

The proposed regulations are available for review online at: [Mass.Gov](http://www.mass.gov) or may be requested in writing or in person from MassHealth Publications, 100 Hancock Street, 6th Floor, Quincy, MA 02171.

A public hearing will be held on Monday, December 2, 2013, at 10 am in the Worcester Public Library (Main), 3 Salem Square, Worcester, MA 01608, 508-799-1655. Written comments are due by Tuesday, **December 3, 2013 at 5pm**. Additional information about the hearing and instructions for submitting comments can be found at:

<http://www.mass.gov/eohhs/docs/eohhs/eohhs-regs/ad-2013-aca-ph.pdf>.

The regulations proposed at a public hearing on November 4, 2013 are the same regulations to be proposed at the public hearing on December 2, 2013. There have been no changes in the interim. Comments and testimony provided in response to the public hearing on November 4, 2013 will be considered along with any additional comments and testimony received in response to the public hearing scheduled for December 2, 2013.

Integrating Medicare and Medicaid for Dual Eligible Individuals (also known as One Care) Open Meeting

Thursday, December 5, 2013

1:00 PM - 3:00 PM

Worcester Public Library

3 Salem Street

Worcester, MA 01608

We welcome attendance from all stakeholders and members of the public with an interest in One Care. 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

Agenda: Payment, Oversight, and Quality Measures

December 5, 2013

10:00 AM - 12:00 PM

Saxe Room

Worcester Public Library

3 Salem St, Worcester, MA 01608

Please R.S.V.P. by 5 pm on Friday, November 29 to Donna Kymalainen at Donna.Kymalainen@state.ma.us. Reasonable accommodations are available upon request.

Please contact Donna Kymalainen at Donna.Kymalainen@state.ma.us to request accommodations by 5 pm on Friday, November 29.

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.