



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

February 3, 2014

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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

1/29/14 IRS/Treasury issued a correcting amendment to the final regulations regarding "Rules Relating to Additional Medicare Tax." The document makes technical corrections to the [final rule](#) which was published in the Federal Register on November 29, 2013. The final regulations relate to an Additional Hospital Insurance Tax on income above threshold amounts ("Additional Medicare Tax"), as added by ACA §10906 and §1401(b). According to the IRS/Treasury.

The 0.9% Additional Medicare Tax, which went into effect on January 1, 2013, applies to individuals' wages, other compensation, and self-employment income over certain thresholds. The threshold amounts are \$250,000 for married taxpayers who file jointly, \$125,000 for married taxpayers who file separately, and \$200,000 for all other taxpayers. Employers are responsible for withholding the Additional Medicare Tax from wages or compensation it pays to an employee in excess of \$200,000 in a calendar year.

Specifically, the final regulations provide guidance for employers and individuals relating to the implementation of the Additional Medicare Tax, including the requirement to withhold Additional Medicare Tax on certain wages and compensation, the requirement to file a return reporting Additional Medicare Tax, the employer process for adjusting underpayments and overpayments of the Additional Medicare Tax, and the employer and employee processes for filing a claim for refund of Additional Medicare Tax.

Read the correcting amendment at: <http://www.gpo.gov/fdsys/pkg/FR-2014-01-29/pdf/2014-01619.pdf>

Read the IRS Questions and Answers about the tax at: [IRS.Gov](http://www.irs.gov)

1/24/14 IRS/Treasury released a notice of proposed rulemaking and notice of public hearing called "Minimum Essential Coverage and Other Rules Regarding the Shared Responsibility Payment for Individuals." The proposed regulations contain guidance related to the ACA's individual shared responsibility provision and provide that coverage under certain government-sponsored programs is not [minimum essential coverage](#), or MEC, (ACA§1501). Under the proposed regulations, the IRS stipulates that certain limited-benefit Medicaid and TRICARE health care coverage is not MEC. The proposed regulations also address the treatment of health reimbursement arrangements and wellness program incentives for purposes of determining the exemption for individuals who cannot afford employer-sponsored coverage.

Beginning earlier this year, the individual shared responsibility provision requires each nonexempt individual to have basic health insurance coverage known as MEC, qualify for an exemption, or make a shared responsibility payment when filing their federal income tax return. The requirement applies to adults, children (as tax dependents), seniors (most of whom will meet the coverage requirement through Medicare), and lawfully present immigrants.

The notice of proposed rulemaking also announces a public hearing on the proposed regulations, scheduled for May 21, 2014 in Washington, DC.

Comments on the proposed regulations, and outlines of topics to be discussed at the public hearing, are due April 28, 2014.

Read the notice of proposed rulemaking (which was published in the Federal Register on January 27, 2014) at: <http://www.gpo.gov/fdsys/pkg/FR-2014-01-27/pdf/2014-01439.pdf>

1/23/14 IRS/Treasury issued "Notice 2013-42, Transition Relief for Employees and Related Individuals Eligible to Enroll in Eligible Employer-Sponsored Health Plans for Non-Calendar Plan Years that Begin in 2013 and End in 2014."

According to the IRS, individuals may not be aware that certain Medicaid coverage or limited-benefit government health programs are not MEC at the time of their enrollment in such coverage. As a result, the IRS issued Notice 2013-42, in which the agency affords transition relief from the shared responsibility payment for the months in 2014 in which individuals have such limited-benefit coverage.

Read IRS Notice 2013-42 at: <http://www.irs.gov/pub/irs-drop/n-13-42.pdf>

For additional information on the individual shared responsibility provision, read the IRS [final regulations](#) (published in the Federal Register on August 30, 2013). Or visit the IRS Questions and Answers at: <http://www.irs.gov/uac/Questions-and-Answers-on-the-Individual-Shared-Responsibility-Provision>

Additional information on exemptions and MEC is available in the HHS [final regulations](#), which were published in the Federal Register on July 1, 2013.

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

News

1/28/14 The U.S. Preventive Services Task Force (Task Force) issued a draft recommendation statement on screening adults for abdominal aortic aneurysm (AAA). The USPSTF issued four findings with respect to whether screening for AAA with ultrasonography can reduce the risk of dying from the condition. An AAA is a weakening in the wall of the abdominal section of the aorta. Once a section of the aortic wall is weakened, pressure from the blood flowing through the vessel causes the aorta to bulge or balloon, resulting in the formation of an aneurysm. According to the USPSTF, a large proportion of AAAs are asymptomatic until rupture. If untreated, AAA rupture can be life-threatening or cause death. The draft recommendations apply to asymptomatic adults age 50 years and older.

According to the USPSTF's research, AAA is estimated to affect between 3.9% and 7.2% of men and 1.0% and 1.3% of women age 50 years and older. An estimated 59% to 83% of patients with a rupture die before hospitalization; operative mortality is approximately 40%. Consequently, 10% to 25% of individuals with a ruptured AAA survive to hospital discharge. Almost all deaths from ruptured AAA occur after age 65 years; and in women, the majority of deaths occur after age 80 years.

The USPSTF recommends one-time screening for AAA by ultrasonography in men ages 65 to 75 years who have ever smoked. Because the Task Force concluded that there is a high certainty that screening in older male smokers can reduce AAA-related mortality, the USPSTF assigned a "B" rating to the recommendation.

Secondly, the USPSTF determined with moderate certainty that AAA-screening in men ages 65 to 75 years who have never smoked has a small net benefit. As a result, the Task Force assigned a "C" rating to the recommendation that clinicians selectively (rather than routinely) offer AAA screening in men of this age group. In determining the appropriateness of screening, patients and clinicians should consider factors such as medical history, family history and other risk factors.

The USPSTF also concluded that the evidence is insufficient to make a recommendation about the effectiveness of AAA screening in women ages 65 to 75 years who have ever smoked. As a result, the Task Force issued an "I" statement for this recommendation.

Lastly, the Task Force decided against routine screening for AAA in women who have never smoked. Because the USPSTF believes with moderate certainty that the harms of screening outweigh any potential benefits, the Task Force assigned a "D" rating to the recommendation.

The USPSTF is an independent panel of non-federal government experts that conduct reviews of scientific evidence of preventive health care services. The USPSTF then develops and publishes recommendations for primary care clinicians and health systems in the form of recommendation statements. As part of their recommendations process, the USPSTF will assign definitions to the services they review based on the certainty that a patient will receive a substantial benefit from receiving the benefit. Services that are graded "A" and "B" are highly recommended and the USPSTF believes there is a high certainty that patient will receive a substantial or moderate benefit.

Under ACA §1001, all of the recommended services receiving grades of "A" or "B" must be

provided without cost-sharing when delivered by an in-network health insurance provider in the plan years (or, in the individual market, policy years) that begin on or after September 23, 2010. If the draft recommendations are finalized, then only the recommendation that was assigned a "B" rating (one-time screening for AAAwith ultrasonography for men ages 65 to 75 who have ever smoked) will be required to be covered without cost-sharing under the ACA.

Comments on the draft are due February 24, 2014 and can be submitted at:

[http://www.uspreventiveservicestaskforcecomments.org/?dno=MzIVT3V0T0FnVikIM2Q\\$](http://www.uspreventiveservicestaskforcecomments.org/?dno=MzIVT3V0T0FnVikIM2Q$)

Read the draft recommendation statement at:

<http://www.uspreventiveservicestaskforce.org/draftrec.htm>

Learn more about preventive services covered under the ACA at: HHS.Gov

Learn more about the USPSTF at: <http://www.uspreventiveservicestaskforce.org/>

Commonwealth of MA News

State Plan Amendments for Massachusetts Alternative Benefit Plans: Public Comment Period

The Executive Office of Health and Human Services (EOHHS) plans to submit to the Centers for Medicare and Medicaid Services (CMS) by March 31, 2014 two State Plan Amendments (SPAs) authorizing MassHealth's two Alternative Benefit Plans (ABPs) under the Affordable Care Act. EOHHS will accept comments on the proposal contained in the summary linked below through 5:00 pm on February 21, 2014.

A summary of the proposed SPAs and information about how to submit comments are available at: <http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/alternate-benefit-plans-public-notice.pdf>

On January 22, 2014, Massachusetts submitted comments to HHS/CMS on the proposed "Basic Health Program: Proposed Federal Funding Methodology for Program Year 2015" which provides the proposed funding methodology and data sources necessary to determine federal payments for states electing to implement a Basic Health Program (BHP) in 2015.

The proposed payment notice lists the factors that will be used to determine the federal payment amount to states, which must equal 95 percent of the premium tax credits (PTCs) and cost sharing reductions (CSRs) that BHP enrollees would have been provided had they enrolled in a qualified health plan (QHP) through the Exchange (Marketplace). The proposed methodology takes into consideration the age, income, coverage type (individual or family), geographic variation, enrollee health status, and any reconciliation of the PTCs and CSRs that would occur. BHP monthly premiums and cost sharing cannot exceed what an eligible individual would have paid if the eligible individual were to receive coverage from a QHP through the Exchange.

The payment notice follows the proposed rule published on September 25, 2013 regarding the programmatic elements and implementation of the BHP. The program provides states the option to establish a health benefits coverage program for low-income individuals who would otherwise be eligible to purchase coverage through the Health Insurance Exchange.

The comment period has closed but a link to the December 23, 2013 Federal Register notice containing the notice can be read at: <http://www.gpo.gov/fdsys/pkg/FR-2013-12-23/pdf/2013-30435.pdf>

The Massachusetts comment letter can be read online at the Massachusetts national health reform website under the State and Federal Communications section at:

<http://www.mass.gov/eohhs/docs/eohhs/healthcare-reform/state-fed-comm/140122-comment-letter-basic-health-program.pdf>

Upcoming Events

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

Friday, February 21, 2014, 1:00-3:00 PM
State Transportation Building, Conference Room 1-3
10 Park Plaza
Boston, MA

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.

Integrating Medicare and Medicaid for Dual Eligible Individuals (also known as One Care) Implementation Council Meetings

Friday, February 28, 2014
11:00 AM-1:00PM
1 Ashburton Place, 21st Floor
Boston, MA

MBTA and driving directions to 1 Ashburton Place are located here: www.mass.gov/anf

A meeting agenda and any meeting material will be distributed prior to the meeting.

Meetings of the Implementation Council are open to stakeholders and members of the public with an interest in One Care. Reasonable accommodations are available upon request. Please contact Donna Kymalainen at Donna.Kymalainen@umassmed.edu to request accommodations.

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.