



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

February 09, 2015

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

2/4/15 The Patient Centered Outcomes Research Institute (PCORI), §6301, announced six grant opportunities on February 4, 2015. Created under ACA §6301, PCORI is an independent nonprofit organization, tasked with conducting patient-centered outcomes research and studies.

For all 6 opportunities, mandatory Letters of Intent (LOI) are due March 3, 2015 and applications are due May 5, 2015.

For more information about PCORI, visit [PCORI](#)

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

Clinical Management of Hepatitis C Infection: Funding is available to conduct pragmatic clinical trials, or large-scale observational studies that compare two or more alternatives strategies for

addressing prevention, diagnosis, treatment, or management of hepatitis C infection. The research is expected to examine treatment options as well as systems-level interventions and interventions aimed at eliminating health or healthcare disparities.

Eligible applicants include any private or public sector research organization, nonprofit or for-profit organization, university or college hospital or healthcare system, laboratory or manufacturer, or unit of local, state, or federal government. \$50 million in total funding is available.

A voluntary LOI Town Hall Meeting will be held February 11, 2015 from 11am to 12:30pm. Click [HERE](#) to register.

An announcement for this opportunity can be found at: PCORI.ORG

Improving Methods for Conducting Patient-Centered Outcomes Research: Funding is available to address gaps in methodological research relevant to conducting patient-centered outcomes research. Results of these projects will inform future iterations of PCORI's Methodology Report. The improvement of existing methods will benefit all stakeholders, including researchers planning investigations, policy makers weighing the value of healthcare interventions, and patients, clinicians, and caregivers facing healthcare decisions.

Eligible applicants include any private or public sector research organization, nonprofit or for-profit organization, university or college hospital or healthcare system, laboratory or manufacturer, or unit of local, state, or federal government. \$12 million in total funding is available.

A voluntary LOI Town Hall Meeting will be held February 11, 2015 from 2pm to 3pm. Click [HERE](#) to register.

An announcement for this opportunity can be found at: PCORI.ORG

Addressing Disparities: Funding is available to conduct comparative effectiveness research (CER) studies that evaluate and compare new and/or enhanced interventions to reduce or eliminate disparities in health and healthcare. Studies in this program should focus on overcoming barriers that may disproportionately affect the outcomes of specific groups of patients, or identify best practices for sharing results and information about patient-centered research across patient groups.

Eligible applicants include any private or public sector research organization, nonprofit or for-profit organization, university or college hospital or healthcare system, laboratory or manufacturer, or unit of local, state, or federal government. \$8 million in total funding is available.

There will be two voluntary LOI Town Hall Meetings held for this opportunity. First, February 12, 2015 from 11am to 12:30pm, click [HERE](#) to register. Second, February 13, 2015 from 11am to 12:30pm, click [HERE](#) to register.

An announcement for this opportunity can be found at: PCORI.ORG

Communication and Dissemination Research: Funding is available to address critical knowledge gaps in the communication and dissemination process—both the communication and dissemination of research results to patients, their caregivers, and clinicians, as well as the communication between patients, caregivers, and clinicians in the service of enabling patients and caregivers to make the best possible decisions in choosing among available options for care and treatment.

Eligible applicants include any private or public sector research organization, nonprofit or for-profit organization, university or college hospital or healthcare system, laboratory or manufacturer, or unit of local, state, or federal government. \$8 million in total funding is available.

There will be two voluntary LOI Town Hall Meetings held for this opportunity. First, February 12, 2015 from 11am to 12:30pm, click [HERE](#) to register. Second, February 13, 2015 from 11am to

12:30pm, click [HERE](#) to register.

An announcement for this opportunity can be found at: [PCORI.ORG](#)

Assessment of Prevention, Diagnosis, and Treatment Options: Funding is available to conduct CER designed to provide information that would inform critical decisions that face patients and caregivers, clinicians, policy makers, and healthcare system leaders. The premise of this research is that any new findings will inform and improve the critical choices made by patients and stakeholders in health care. This knowledge will provide insight about the comparative benefits and harms of the options and provide information about outcomes that are important to patients.

Eligible applicants include any private or public sector research organization, nonprofit or for-profit organization, university or college hospital or healthcare system, laboratory or manufacturer, or unit of local, state, or federal government. \$12 to \$32 million in funding is available.

There will be two voluntary LOI Town Hall Meetings held for this opportunity. First, February 12, 2015 from 11am to 12:30pm, click [HERE](#) to register. Second, February 13, 2015 from 11am to 12:30pm, click [HERE](#) to register.

An announcement for this opportunity can be found at: [PCORI.ORG](#)

Improving Healthcare Systems: Funding is available to study the comparative effectiveness of alternate features of healthcare systems (e.g., innovative technologies, incentive structures, service designs) intended to optimize the quality, outcomes, and/or efficiency of care for the patients they serve and that have the most potential for sustained impact and replication within and across healthcare systems. Healthcare systems encompass multiple levels (e.g., national, state and local health environments, organization and/or practice settings, family and social supports, and the individual patient) and include entities organized to deliver, arrange, purchase, and/or coordinate healthcare services.

PCORI seeks to fund studies that will provide information of value to patients, their caregivers, clinicians, and healthcare leaders regarding which features of delivery systems lead to better patient-centered outcomes so they may ultimately impact healthcare delivery.

Eligible applicants include any private or public sector research organization, nonprofit or for-profit organization, university or college hospital or healthcare system, laboratory or manufacturer, or unit of local, state, or federal government. \$16 million in funding is available.

There will be two voluntary LOI Town Hall Meetings held for this opportunity. First, February 12, 2015 from 11am to 12:30pm, click [HERE](#) to register. Second, February 13, 2015 from 11am to 12:30pm, click [HERE](#) to register.

An announcement for this opportunity can be found at: [PCORI.ORG](#)

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: www.mass.gov/eohhs/gov/commissions-and-initiatives/healthcare-reform/national-health-care-reform-plan/grants-and-demonstrations.html

Guidance

2/2/15 IRS/Treasury issued Revenue Procedure 2015-17, which sets forth procedures for issuing determination letters and rulings on the exempt status of qualified nonprofit health insurance issuers (QNHIIs) described in § 501(c)(29) of the IRS Code.

Section 501(c)(29) of the IRS Code provides requirements for tax exemption under section 501(a) for qualified nonprofit health insurance issuers (QNHIIs). Section 501(c)(29) was added to the IRS Code by ACA §1322(h)(1), which directs CMS to establish the CO-OP program. The purpose of the CO-OP program is to foster the creation of member-governed QNHIIs that will operate with a strong consumer focus and offer qualified health plans in the individual and small group markets.

Read IRS Revenue Procedure 2015-17 at: www.irs.gov/pub/irs-drop/rp-15-17.pdf

1/30/15 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on a new information collection activity related to Ambulatory Surgical Center Quality Reporting Program.

HHS quality reporting programs promote higher quality, more efficient health care for Medicare beneficiaries and the agency has implemented quality measure reporting programs for multiple settings, including for ambulatory surgical centers (ASCs).

ACA §3014 modified section 1890(b) of the Social Security Act to require CMS to develop quality and efficiency measures through a "consensus-based entity." To fulfill this requirement, the Measure Applications Partnership (MAP) was formed to review measures consistent with these requirements. The MAP is convened by the National Quality Forum (NQF), a national consensus organization. In implementing this and other quality reporting programs, HHS' overarching goal is to support the National Quality Strategy's goals of better health for individuals, better health for populations, and lower costs for health care.

This information is used to direct contractors, including Quality Improvement Organizations, to focus on particular areas of improvement, and to develop quality improvement initiatives. According to HHS, the information is then made available to ASCs for their use in internal quality improvement initiatives, and to Medicare beneficiaries the general public, to provide information to assist them in making decisions about their health care.

Comments are due March 2, 2015.

Read the notice at: www.gpo.gov/fdsys/pkg/FR-2015-01-30/pdf/2015-01777.pdf
(see item #1)

1/30/15 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on several information collection activities, including the following five collections.

Comments are due on March 31, 2015 on all items.

Read the notice at: www.gpo.gov/fdsys/pkg/FR-2015-01-30/pdf/2015-01790.pdf

In [item #2](#), HHS/CMS is seeking comments on the revision of a currently approved collection activity related to Cooperative Agreements to Support Establishment of State-Operated Health Insurance Exchanges.

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 individuals would be eligible for premium tax credits (§1401, §1411) to make purchasing a qualified health plan (QHP) 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). Note that Massachusetts currently runs a State-Based Exchange.

As the State-Based Marketplaces and Small Business Health Options Program (SHOP) have matured and moved from the developmental phases to full-operation, the reporting requirements for the states have been modified and streamlined to insure only information necessary to provide effective oversight of their operations by CMS is collected. Given the innovative nature of Exchanges and the statutorily prescribed relationship between the HHS Secretary and the states in their development and operation, according to HHS, it is critical that the HHS Secretary work closely with states to provide necessary guidance and technical assistance to ensure that states can meet the prescribed timelines, federal requirements, and goals of the statute and the grants awarded to them.

In [item #3](#), HHS/CMS is seeking comments on the revision of a currently approved information collection activity related to the Consumer Operated and Oriented (CO-OP) Program, established by ACA §1322.

This program provides for loans to establish at least one consumer-operated, qualified nonprofit health insurance issuer in each State. Issuers supported by the CO-OP program will offer at least one qualified health plan at the silver level of benefits and one at the gold level of benefits in the individual market State Health Benefit Exchanges (Exchanges). At least two-thirds of policies or contracts offered by a CO-OP will be open to individuals and small employers. Profits generated by the nonprofit CO-OPs will be used to lower premiums, improve benefits, improve the quality of health care delivered to their members, expand enrollment, or otherwise contribute to the stability of coverage offered by the CO-OP. According to the notice, by increasing competition in the health insurance market and operating with a strong consumer focus, the CO-OP program will provide consumers more choices, greater plan accountability, increased competition to lower prices, and better models of care, benefiting all consumers, not just CO-OP members.

The CO-OP program will provide nonprofits with loans to fund start-up costs and State reserve requirements, in the form of Start-up Loans and Solvency Loans. An applicant may apply for (1) Joint Start-up and Solvency Loans; or (3) only a Solvency Loan. Planning Loans are intended to help loan recipients determine the feasibility of operating a CO-OP in a target market. Start-up Loans are intended to assist loan recipients with the many start-up costs associated with establishing a new health insurance issuer. Solvency Loans are intended to assist loan recipients with meeting the solvency requirements of States in which the applicant seeks to be licensed to issue qualified health plans.

In [item #4](#), HHS/CMS is seeking comments on the revision of a currently approved information collection activity regarding annual medical loss ratio (MLR) and Rebate Calculation Reports and MLR Rebate Notices.

The ACA's MLR rules under ACA §10101 establish the minimum dollar percentage that health insurance companies must spend of consumers' health insurance premiums on medical care and quality improvement activities, rather than on salaries, overhead or marketing. Starting with the 2011 reporting year, the ACA required insurance companies in the individual and small group markets to spend at least 80% of collected premium dollars on medical care and quality improvement activities; insurance companies in the large group market are required to spend at least 85%. Under the MLR rules, insurance companies that do not meet the MLR standard are required to provide rebates to their consumers. Rebates must be paid by August 1st each year and insurers made the first round of rebates to consumers in 2012. Insurance companies must report their MLR data (including information about any rebates it must provide, on an HHS form, for each state in which the issuer conducts business) to HHS on an annual basis. According to HHS, the data will allow residents of every state to have information about the value of the health plans offered by insurance companies in their state.

Based on past experience with MLR data collection and the evaluation process, HHS is updating the agency's projections regarding the numbers of submissions, rebates, and rebate

notices.

It [item #5](#), HHS/CMS is seeking comments on the revision of a previously approved information collection activity related to Consumer Assistance Tools and Programs of an Exchange and Certified Application Counselors; Exchange and Insurance Market Standards for 2015 under the ACA.

ACA § 1321(a)(1) directs and authorizes the HHS Secretary to issue regulations setting standards for meeting the requirements under Title I of the ACA, with respect to the establishment and operation of Exchanges. Pursuant to this authority, HHS issued [regulations](#) in July 2013 that require Navigators (and certain non-Navigator personnel) to complete HHS approved training for initial certification and annual recertification prior to providing application and enrollment assistance. The training will include an optional training quality questionnaire providing Navigators (and certain non-Navigator assistance personnel), an opportunity to provide feedback to CMS regarding the training and any improvements that can be made in the future.

In [item #6](#), HHS/CMS is seeking comments on the revision of a previously approved information collection activity related to Consumer Assistance Tools and Programs of an Exchange and Certified Application Counselors; Exchange and Insurance Market Standards for 2015 under the ACA.

ACA § 1321(a)(1) directs and authorizes the HHS Secretary to issue regulations setting standards for meeting the requirements under Title I of the ACA, with respect to the establishment and operation of Exchanges. In accordance with [regulations](#) issued by HHS in July 2013, certified application counselors in all Exchanges are required to be initially certified and recertified on at least an annual basis and successfully complete Exchange required training.

Under the ACA, enrollment assistance can be provided by: Navigators, in-person assistance personnel, or certified application counselors. In addition, agents and brokers can also help consumers enroll in new insurance options. Furthermore, under the ACA, Exchanges are required to have a certified application counselor program.

Additional information about the various consumer assistance personnel can be found at: www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/Downloads/AssistanceRoles_06-10-14-508.pdf

1/29/15 IRS/Treasury posted final rules governing tax exempt status for the Consumer Operated and Oriented Plan (CO-OP) plan program. The CO-OP program was created by the ACA to provide some competition for the large insurance plans that dominated the non-group market in many states and to offer something to many advocates who supported the creation of a public plan alternative.

The final rules document contains final regulations authorizing the IRS to prescribe the procedures by which certain qualified nonprofit health insurance issuers may apply to the IRS for recognition of exemption from federal income tax.

Section 501(c)(29) of the IRS Code provides requirements for tax exemption under section 501(a) for qualified nonprofit health insurance issuers (QNHIIs). Section 501(c)(29) was added to the IRS Code by ACA §1322(h)(1), which directs CMS to establish the CO-OP program. The purpose of the CO-OP program is to foster the creation of member-governed QNHIIs that will operate with a strong consumer focus and offer qualified health plans in the individual and small group markets.

CMS provides loans and repayable grants to organizations applying to become QNHIIs to help cover start-up costs and meet any solvency requirements in states in which the organization is licensed to issue qualified health plans.

Read the final rules at: www.gpo.gov/fdsys/pkg/FR-2015-01-29/pdf/2015-01677.pdf

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

Upcoming Events

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

Friday, February 27, 2015
1:00 PM – 3:00 PM
1 Ashburton Place, 21st Floor
Boston, MA

The purpose of this meeting is to continue discussion of key implementation topics for the Duals Demonstration. Please visit the [Materials from Previous Meetings](#) page for information from previous Open Meetings.

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 13, 2015, 1:00 pm-3:00 pm
State Transportation Building
10 Park Plaza, Conference Rooms 2 & 3
Boston, MA

Friday, March 13, 2015, 1:00 pm-3:00 pm
State Transportation Building
10 Park Plaza, Conference Rooms 2 & 3
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.



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