



## AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

March 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

**Health Infrastructure Investment Program, §10503(b).** Announced March 3, 2015.

Funding is available through the Health Infrastructure Investment Program for existing Health Center Program grantees to increase their patient capacity and to provide additional comprehensive primary and preventive health services to medically underserved populations through the alteration/renovation, expansion, or construction of a facility.

Eligible applicants are limited to existing health centers who are receiving Health Center Program operational support at the time of application and did not receive initial health center funding in FY 2015. \$150,000,000 in total is available for 150 to 175 awards.

Applications are due July 21, 2015.

This announcement may be viewed at: [HRSA.GOV](http://HRSA.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: [www.mass.gov/eohhs/gov/commissions-and-initiatives/healthcare-reform/national-health-care-reform-plan/grants-and-demonstrations.html](http://www.mass.gov/eohhs/gov/commissions-and-initiatives/healthcare-reform/national-health-care-reform-plan/grants-and-demonstrations.html)

## Guidance

**3/6/15 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on the revision of a currently approved information collection activity related to the Employer Notification to HHS of its Objection to Providing Coverage for Contraceptive Services under ACA §1001 (2713).**

On July 28, 2014 HHS/Treasury/DOL issued a [final rule](#) called "Coverage of Certain Preventive Services Under the Affordable Care Act" which implements provisions under ACA §1001(2713) that provide women with coverage for preventive care that includes all-FDA approved contraceptive services without cost sharing, while respecting the concerns of certain religious organizations, including certain non-profit religious organizations. Under the final rule non-exempt, non-grandfathered group health plans are required to provide such coverage. Group health plans of "religious employers" are exempted from the requirement to provide contraceptive coverage if they have religious objections to contraception.

Under the ACA, most health plans are required to provide women with coverage for recommended preventive care without charging a co-payment, co-insurance or a deductible. Women's preventive health services include well-woman visits, support for breastfeeding equipment, contraception, and domestic violence screening and counseling. The rule ensures that non-profit organizations with religious objections won't have to contract, arrange, pay, or refer for insurance coverage for contraceptive services to their employees.

[Proposed rules](#) titled "Coverage of Certain Preventive Services Under the Affordable Care Act" (which were published in the Federal Register on August 27, 2014) continue to require each closely-held, for-profit corporation seeking to be treated as an eligible organization to provide notification that it will not act as the plan administrator or claims administrator with respect to, or contribute to the funding of, coverage of all or a subset of contraceptive services. Issuers and third party administrators providing payments for contraceptive services for participants and beneficiaries in plans of eligible organizations would be required to meet the notice requirements as set forth in the 2013 final regulations. In addition, the proposed rule solicits comment how it might extend to certain "closely held" for-profit companies the same accommodation that is available to non-profit religious organizations, while continuing to urge Congress to take action to ensure women's access to contraception services.

The [interim final regulations](#) titled "Coverage of Certain Preventive Services Under the Affordable Care Act" (which were published in the Federal Register on August 27, 2014) maintain the existing accommodation for certain religious non-profits that object to providing such coverage, but also create an additional pathway for eligible organizations to provide notice of their objection to covering contraceptive services. The interim final rule allows eligible non-profit organizations to notify the HHS in writing of their religious objection to providing contraception coverage. HHS and DOL will then notify insurers and third party administrators so that enrollees in plans of such organizations receive separate coverage for contraceptive services, with no additional cost to the enrollee or the employer.

Comments are due April 6, 2015.

Read the notice at: [www.gpo.gov/fdsys/pkg/FR-2015-03-06/pdf/2015-05165.pdf](http://www.gpo.gov/fdsys/pkg/FR-2015-03-06/pdf/2015-05165.pdf)  
(see item #3)

**3/2/15 IRS/Treasury issued Notice 2015-22, Transitional relief from estimated tax additions to tax for**

**farmers and fishermen who receive erroneous Forms 1095-A.** Notice 2015-22 provides for a waiver of any additional taxes under section 6654(a) of the IRS Code for underpayment of estimated health insurance premium taxes for those farmers and fishermen who received erroneous 2014 Forms 1095-A (Health Insurance Marketplace Statements) and who file their 2014 tax return and pay by April 15, 2015.

According to the IRS, farmers and fishermen who miss this year's March 2 tax deadline because they are receiving corrected premium tax credit forms (Form 1095-A) from the Health Insurance Marketplace will have until April 15, 2015, to file their 2014 returns and pay any tax due.

The IRS is providing this relief because a number of taxpayers have been informed that they will be receiving corrected Forms 1095-A from the Health Insurance Marketplace. Taxpayers need this form to file a complete and accurate return. As a result, the IRS is waiving the penalty for failing to make 2014 estimated tax payments for any farmer or fisherman who, due to this delay, files their return and pays any tax due by Wednesday, April 15.

Normally, farmers and fishermen who choose not to make quarterly estimated tax payments are not subject to a penalty if they file their returns and pay the full amount of tax due by March 1. This year, the due date was pushed back to March 2, because the normal deadline falls on a Sunday. A taxpayer qualifies as a farmer or fisherman for tax year 2014 if at least two-thirds of the taxpayer's total gross income was from farming or fishing in either 2013 or 2014.

Read Notice 2015-22 at: [www.irs.gov/pub/irs-drop/n-15-22.pdf](http://www.irs.gov/pub/irs-drop/n-15-22.pdf)

**2/27/15 HHS/CMS issued a notice under the Paperwork Reduction Act of 1995 (PRA) seeking comments on a the extension of a currently approved information collection activity related Affordable Care Act Information and Collection Requirements for Section 1115 Demonstration Projects.**

ACA §10201(i) requires opportunity for public comment and greater transparency of Section 1115 demonstration projects. A [final rule](#), published in the Federal Register on February 27, 2012, establishes a process for ensuring public input into the development and approval of new section 1115 demonstrations (as well as extensions of existing demonstrations). States seeking such waiver authority under Section 1115 are required to meet certain requirements for public notice, the evaluation of demonstration projects, and reports to the HHS Secretary on the implementation of approved demonstrations.

According to HHS/CMS, this collection is necessary to ensure that states comply with regulatory and statutory requirements related to the development, implementation and evaluation of such demonstration projects.

Comments are due March 30, 2015.

Read the notice at: [www.gpo.gov/fdsys/pkg/FR-2015-02-27/pdf/2015-04113.pdf](http://www.gpo.gov/fdsys/pkg/FR-2015-02-27/pdf/2015-04113.pdf)  
(see item #1)

**2/20/15 HHS/CMS issued a final rule called "Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2016."**

The final rule sets forth payment parameters and provisions related to the risk adjustment, reinsurance, and risk corridors programs; cost sharing parameters and cost-sharing reductions; and user fees for Federally-facilitated Exchanges. It also provides additional standards for the annual open enrollment period for the individual market for benefit years beginning on or after January 1, 2016, essential health benefits (EHB, §1301), qualified health plans (QHP), network adequacy, quality improvement strategies, the Small Business Health Options Program (SHOP, §1311(b)(1)(B), to assist qualified small employers in facilitating the enrollment of their employees in qualified health programs), guaranteed availability, guaranteed renewability, [minimum essential coverage](#) (MEC, §1501), the [rate review program](#) (§1003), the [medical loss ratio program](#) (MLR, §10101), and other related topics.

Starting October 1, 2013, qualified individuals and qualified employees could purchase private health insurance coverage through competitive marketplaces called Affordable Insurance Exchanges, or "Exchanges" (also called Health Insurance Marketplaces). 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. To be eligible to receive the premium tax credit, individuals and families must have incomes between 100%- 400% FPL (or between 0% - 400% FPL if lawfully present and ineligible for Medicaid) and be enrolled in a QHP through an exchange. The individual must also be ineligible for government sponsored insurance and not have access to employer sponsored insurance that meets definitions of affordability and MEC. Advance payments are made monthly under ACA §1412 to the issuer of the QHP in which the individual enrolls. ACA §1402 provides for the reduction of cost sharing for certain individuals enrolled in QHPs offered through the Exchanges and §1412 provides for the advance payment of these reductions to issuers.

QHPs are health plans that have been certified by an Exchange, provide EHB and follow established limits on cost-sharing (like deductibles, copayments, and out-of-pocket maximum amounts). A QHP must have a certification by each Exchange in which it is sold. ACA §1311 and subsequent regulations provide that, in order to be certified as a QHP and operate in the Exchanges that will be operational in 2014, a health plan must be accredited on the basis of local performance by an accrediting entity recognized by HHS.

The ACA established three risk-mitigation programs to stabilize premiums in the individual insurance market and minimize the effects of adverse selection that may occur as insurance reforms and the Exchanges launch in 2014. These programs include transitional reinsurance (§1341), temporary risk corridors programs (§1342), and a permanent risk adjustment program (§1343) to provide payments to health insurance issuers that cover higher-risk populations and to more evenly spread the financial risk borne by issuers. HHS administers the transitional reinsurance program and the temporary risk corridors program for Massachusetts issuers. Massachusetts administers its own, state-specific risk adjustment program through the Health Connector. All three programs began in 2014 and are designed to provide issuers with greater payment stability as insurance market reforms are implemented.

Read the final rule (which was published in the Federal Register on February 27, 2015) at:

[www.gpo.gov/fdsys/pkg/FR-2015-02-27/pdf/2015-03751.pdf](http://www.gpo.gov/fdsys/pkg/FR-2015-02-27/pdf/2015-03751.pdf)

Prior guidance can be found at: [www.hhs.gov/healthcare/index.html](http://www.hhs.gov/healthcare/index.html)

## News

**2/27/2015 HHS/CMS announced the establishment of the Health Care Payment Learning and Action Network (“Network”)**, as authorized by ACA §3021. Under the new program, private payers, employers, consumer groups, individual consumers, providers, states and state Medicaid programs, and other partners will work with CMS to expand alternative payment models into their programs.

The Network will provide a forum for public-private partnerships to help health care payment systems (both private and public) meet or exceed recently established Medicare goals for value-based payments and alternative payment models. These alternative payment models include Accountable Care Organizations (ACOs), bundled payments, and advanced primary care medical homes. The Network will be supported by an independent contractor that will act as a convener and facilitator.

To register for the Network, visit: [CMS.GOV](http://CMS.GOV)

For more information about the Network, visit: [CMS.GOV](http://CMS.GOV)

## Upcoming Events

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

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

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

Friday, March 20, 2015, 2:00 pm-4:00 pm  
State Transportation Building  
10 Park Plaza, Conference Rooms 1-3  
Boston, MA

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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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