

# Affordable Care Act Medicaid Requirements and Options for Montana

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## Overview

- ACA's Medicaid Reforms in Context
- 5 Key Areas of Medicaid Coverage Reforms:
  - Eligibility and Enrollment
  - Operations
  - Financing
  - Benefits
  - Consumer Assistance
- Resources to Support Montana



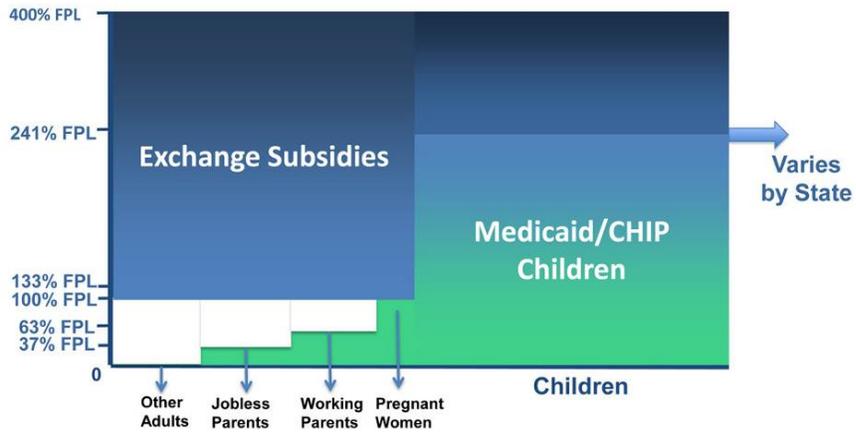
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## ACA Medicaid Reforms in Context



## New Coverage Paradigm in 2014



Source: Mann, Cindy. (August 6, 2012). *Medicaid and CHIP: Today and Moving Forward*. PowerPoint presentation given at National Conference of State Legislatures meeting, Washington, DC.

## Eligibility and Enrollment

## Coverage Mandates & Options

- Maintenance of Effort (MOE):** Maintain Medicaid and CHIP eligibility standards, methodologies and procedures.
  - Adults: until Jan. 1, 2014
  - Children (Medicaid and CHIP): until September 30, 2019
- Mandatory Coverage Expansions:**
  - Children: 6-19 year-olds become Medicaid-eligible (state retains enhanced federal Medicaid match)
  - Foster Care Youth: Youth leaving foster care who were enrolled in Medicaid when they left are Medicaid-eligible until age 26
- Optional Coverage Expansions:**
  - Nonelderly Adults Under 133% FPL: Option to expand Medicaid to all non-elderly, non-disabled adults with enhanced federal Medicaid match
  - Medicaid Expansion Above 133% FPL (or prior levels): Option to expand above 133 % FPL or prior levels with usual Medicaid match

## Income Eligibility Rules & Standards

- MAGI Conversion:** All current Medicaid eligibility levels must be adjusted to new modified adjusted gross income (MAGI) standard
- MAGI Income Counting Rules:** State will need to convert how income is counted for MAGI-eligible groups (children, pregnant women, parents and caretaker relatives, newly eligible adults (in expansion states)) based on new income and household definitions
- American Indians/Alaskan Natives:** States are barred from counting certain types of income for AI/AN populations in determining Medicaid eligibility
- Spousal Impoverishment Protections:** For 5 years beginning January 1, 2014, states need to apply same spousal impoverishment protections for spouses of those receiving home- and community-based Medicaid long term care services as spouses of those in nursing homes

## Eligibility and Enrollment Processes

- Verification:** Change processes to:
  - Rely on self-attested and electronically verified data
  - Create data interface with federal “data services hub,” and
  - Create reasonable compatibility standards to resolve discrepancies.
  - Submit verification plans documenting changes - due early in 2013.
- Residency:** Must implement residency standards consistent with new federal standard. (States have option to allow self-attestation to verify residency)
- Streamlined, Automated Enrollment:**
  - Application submission by mail, in person, by phone, online
  - Adopt federal single, streamlined application, or get Secretarial approval
- Timeliness Standards:** Determinations made “promptly and without undue delay” but no later than 45 (MAGI) or 90 (non-MAGI) days
- Renewals:** Accept online, in person, by mail, by phone and use electronic verification, pre-populating of forms and other strategies to lessen burden

## Coordination with Exchanges

- Coordination with Exchanges:** Create capacity to seamlessly accept and transfer applications among Medicaid, CHIP and exchange, including:
  - Accepting/transferring electronic case files for determinations
  - Generating notices and/or coverage decisions to applicants
  - Notifying federal exchange on status/outcome of decision
  - Coordinating on consumer assistance and coverage information effort
  - Determining CHIP eligibility (for application of waiting period or premium payment requirements)

## Eligibility Policy Changes: More Information Coming Soon

- Notices and Appeals:** Create new notices and appeal protocols that take into account multiple coverage determination needs for Medicaid, CHIP and exchanges
- Presumptive Eligibility:** Accept presumptive eligibility determinations by hospitals for children, pregnant women and breast and cervical cancer patients diagnosed through CDC-funded screening

## Operations

- IT System Upgrades:** Montana has already been approved for Medicaid eligibility system upgrades.
- Program Integrity:** Already need to comply with ACA program integrity requirements, including establishing Recovery Audit Contractor program, implementing National Correct Coding Initiative methodologies and suspending payment to individuals and entities during fraud investigations.
- Primary Care Reimbursement Rate Increase:** Increase reimbursement rates to Medicare levels for certain primary care providers for primary care services in 2013 and 2014 as incentive to treat Medicaid patients. Federal funds available to pay for additional cost.
- Safeguarding Information:** Safeguard personal information, especially coming through the federal data services hub and Social Security numbers, including both applicant and non-applicant information.
- Enrolling Children Before Parents:** Children of parents who are either newly eligible under an expansion program or eligible for the premium tax credit will need to be enrolled before their parents.

## Financing

- Enhanced Federal Funding for Information Technology Systems:** 90% federal match for development and implementation, 75% match for ongoing maintenance
- CHIP Match for Medicaid-Eligible Children:** State still gets enhanced match for 6-19 year-old children who would have been in CHIP now transitioning to Medicaid

## Benefits

- ? **Essential Health Benefit (EHB) Standard for Benchmark:** Future Medicaid benchmark packages need to include EHB categories, for new adults under Medicaid expansion and other benchmark populations. Unclear if CMS will also require for § 1115 waiver populations
- + **New Preventive Benefit Coverage:** 1% federal match increase for Medicaid coverage of U.S. Preventive Services Task Force grade A and B services for adults

## Consumer Assistance

- Consumer Assistance:** in-person, telephone, and online assistance required for first time in Medicaid.
  
- Consumer-Facing Website:** for first time, Medicaid agencies required to have website with information, applications, renewals, links to Exchange
  
- Accessibility Requirements:** language services to LEP, aids to consumers with disabilities, plain language.

## Resources to Support Montana

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The State Health Reform Assistance Network (State Network) is a Robert Wood Johnson Foundation (RWJF) funded program dedicated to providing technical assistance to states in order to maximize coverage expansion under the Affordable Care Act (ACA). The program and the dissemination of models and lessons learned from this

work are key elements of RWJF's goal of ensuring that nearly all Americans have health coverage by 2020.

The State Network is managed at Princeton University's Woodrow Wilson School of Public and International Affairs with significant support from State Coverage Initiatives (SCI), also an RWJF national program, housed at AcademyHealth.

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## Conclusion

- ACA Medicaid coverage reforms are significant and transformative
- All states must comply with required changes:
  - ▣ not optional under *NFIB v. Sebelius*
  - ▣ new provisions might change, but exist regardless of Montana decision to expand Medicaid or run an exchange
- Montana is in good company – seek out peers and thought leaders to lighten your burden!

## Questions?

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