

Affordable Care Act (ACA) Overview: Key Changes to Policies, Processes, and Programs

Lesson 1: Overview and Changes to Applications and Submissions

Office of Medicaid Policy and Planning



Introduction



The Patient Protection and Affordable Care Act (PPACA), more commonly known as the ACA, means changes for clients and the State of Indiana.

Open enrollment begins October 2013 for healthcare coverage that will become effective January 1, 2014. Your preparation will impact how you do your job and how well you serve our more than one million existing clients, as well as those Hoosiers new to affordable Medicaid health care.



Preparing for Change



This training provides an overview of major ACA-driven policy, program, and process changes that, as a member of the State of Indiana team, you need to know.

The training is divided into two lessons which will help you understand the impact and transition to the new standards used for Indiana's Medicaid programs.



Objectives



At the end of this training, you should be able to do the following:

- Explain the role of the federal Health Insurance Marketplace and how it interacts with Medicaid health coverage and enrollment
- Describe changes in Medicaid applications, submissions, and verification

ACA Overview



Family and Social Services Administration

Expanding Health Coverage



By January 1, 2014, ACA requires that most people have health insurance.

Uninsured individuals eligible for Medicaid coverage under current standards, but not enrolled in the program, must apply for Medicaid if they want this to count as their mandated coverage.



DETAILS

Actuarial projections show about 90,000 Hoosiers will be placed on Medicaid, a majority of whom will be children previously without coverage.
— Milliman Inc.

The health coverage law passed by the federal government states that as of January 1, 2014, most individuals must have health coverage or face a financial penalty.

Indiana has not expanded Medicaid eligibility for 2014. Some individuals will not qualify for Medicaid eligibility and will make too little money to qualify for a tax credit.

Indiana's Healthcare Marketplace



Many Hoosiers who do not have access to health insurance from their employers or through Medicaid will be able to use the private market or a federal marketplace for health insurance to explore competitive healthcare coverage.

It is important to understand how this federally funded marketplace works so you can explain how application information is processed.



MORE INFORMATION

Under ACA, the Federal Government allows states to choose one of three types of marketplaces to provide healthcare insurance:

- State-Based Marketplace (SBM)
- State Partnership Marketplace (SPM)
- Federal marketplace

For more information, visit:
<https://www.healthcare.gov>.

Essential Health Benefits



In order to create a scope of benefits similar to those in a typical employer plan, every individual and small group plan offered through the federal marketplace must include the 10 Essential Health Benefits (EHBs).

Although Indiana did not expand its traditional Medicaid program, Medicaid health coverage in Indiana already covers the 10 EHBs. The Healthy Indiana Plan (HIP) does not currently align with all 10 EHBs.

Ten Essential Health Benefits



The 10 benefits required to be offered as part of every insurance plan in the federal marketplace include the following:

- Ambulatory Patient Services
- Emergency Services
- Hospitalization
- Maternity and Newborn Care
- Mental Health and Substance Use Disorder Services
- Prescription Drugs
- Laboratory Services
- Rehabilitative and Habilitative Services and Devices
- Preventive and Wellness Services and Chronic Disease Management
- Pediatric Services Including Oral and Vision

Indiana's Alternative Benefit Plan



Indiana's benchmark plan for the federal marketplace (also called Alternative Benefit Plan [ABP]) is Anthem Blue Cross Blue Shield's Preferred Provider Organization (PPO) plan. Since the benchmark plan does not offer the essential benefit of Pediatric Services, the State of Indiana chose the Federal Employees' Health Benefits Plan as a supplement.

Benchmark plans are annual, and a lifetime dollar limit on spending for healthcare services can be applied if a service is not considered to be one of the EHBs.

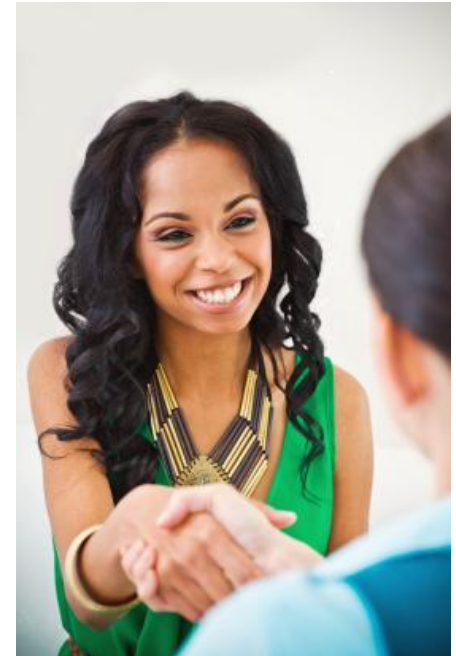
Navigators



Trained individuals and organizations called navigators will help consumers select options and apply for health plans.

They will assist customers with applications for insurance affordability programs such as Medicaid, Qualified Health Plans (QHPs) in the federal marketplace, and Advanced Premium Tax Credits (APTCs).

In Indiana, **all** navigators must receive state training, undergo annual state certification, and meet state-based performance standards monitored by the Indiana Department of Insurance (IDOI).



Application Organizations



Application Organizations (AOs) must designate a lead navigator, report all navigators working on their behalf, and complete state navigator training and certification.

Effective January 1, 2014, all Medicaid Enrollment Centers (ECs) must be certified as AOs. ECs include some hospitals, community health centers, and other locations where the public can pick up or complete the Indiana Application for Health Coverage.

Each navigator and AO receives a unique certification ID number so the State can track submissions.

Check Your Understanding



Take a moment to check your ability to answer the following questions for a client. Answers are provided on the next two slides.

- When does enrollment begin for health coverage under ACA, and when does it go into effect?
- What are EHBs and why are they important?
- What type of healthcare marketplace does Indiana offer?
- Who are navigators, how are they authorized, and how do they help Hoosiers learn about and apply for health coverage?

Check Your Understanding



When does enrollment begin for health coverage under ACA, and when does it go into effect?

Enrollment begins October 1, 2013. The actual coverage begins January 1, 2014.

What are EHBs and why are they important?

There are 10 EHBs that must be included in the healthcare coverage plans offered in the federal marketplace. These benefits help create plans similar to those offered in a typical employer plan.

Check Your Understanding



What type of healthcare marketplace does Indiana offer?

Indiana chose a federal marketplace. The private insurance marketplace is also available.

Who are navigators, how are they authorized, and how do they help Hoosiers learn about and apply for health coverage?

Navigators are individuals and organizations that will help consumers select and apply for healthcare options. They will be trained, certified, and monitored for performance by the State of Indiana.

New Application and Submission Processes



Family and Social Services Administration

Applications



Today, Indiana has a single application for the Supplemental Nutrition Assistance Program (SNAP), Cash Assistance, and Medicaid. Beginning in October 2013, the following application changes will go live:

- New Indiana Application for Health Coverage
- Separate SNAP/Cash Assistance form
- Continued use of Medicare Savings Program application
- Revised separate HIP application
- Discontinued Hoosier Healthwise (HHW) application



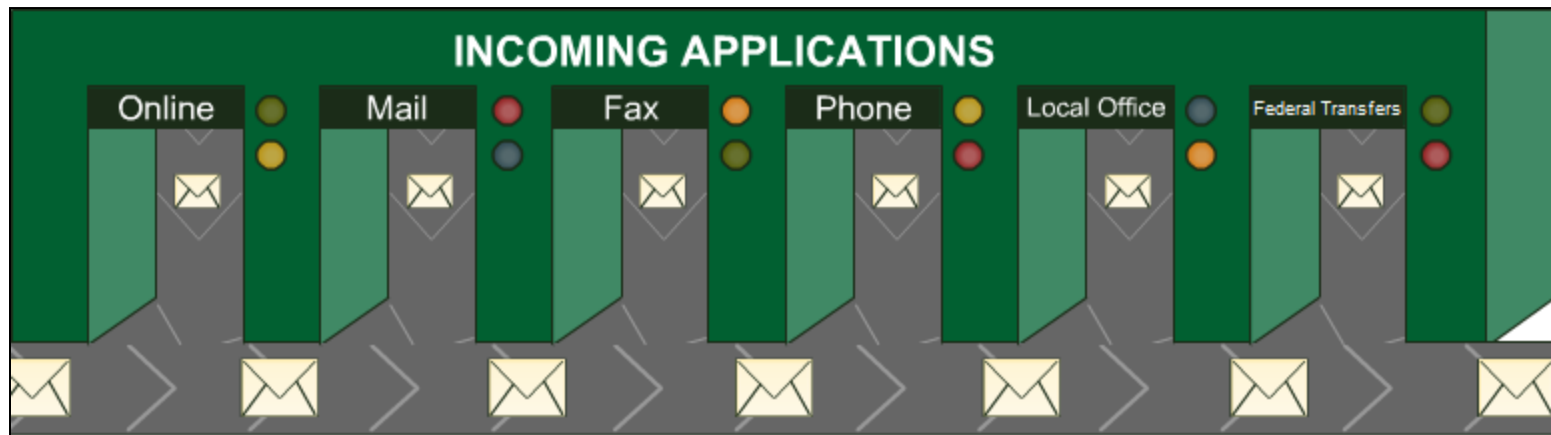
DETAILS

The Indiana Application for Health Coverage will have minor differences from the new federal marketplace application. These will help determine what, if any, eligibility for aid the individual can receive from the State Medicaid program.

Submission Process



Currently, applications are submitted online, by mail, fax, and in person at the local office. Due to new federal rules for the ACA, the Indiana Application for Health Coverage can now also be submitted using the telephone and through federal marketplace electronic transfers.



Telephone Submission



Telephone applications can only be accepted for the Indiana Application for Health Coverage. This will provide easier access to health care for individuals with limited Internet access or literacy issues.

A worker will complete the entire online application with the client during the telephone call, and the client will verbally attest to the signature.



DETAILS

For those processing applications, as well as the public applying for the coverage, patience will be important.

There may be an increase in the number of call submissions and the length of time needed to complete them.



Applicants are encouraged to apply online.

Electronic Account Transfer



Electronic account transfer is another new way to receive applications. If an individual submits an application through the federal marketplace, eligibility will be assessed for each household member applying for health coverage.

If the system determines the individual is potentially eligible for Medicaid, the federal marketplace will electronically transfer the account to the State for eligibility determination.



DETAILS

These transferred applications, called “account transfers,” may contain some data elements already verified electronically, such as Social Security number (SSN), date of birth, citizenship, and immigration status.

Electronic Account Transfer



A client may apply directly to the state but not qualify for Medicaid or Children's Health Insurance Program (CHIP). States are required to electronically transfer the account to the federal marketplace to determine eligibility for non-Medicaid health coverage and/or help from one of the following federal marketplace-sponsored assistance programs:

- Advanced Premium Tax Credit (APTC)
- Cost-Sharing Reduction (CSR)
- Help finding a QHP



DETAILS

APTC and CSR are two programs available for individuals who qualify for the following:

- Help paying for health insurance
- Cost-sharing for health services received
- Qualify based on the Federal Poverty Level (FPL)

We will take a closer look at the APTC and CSR programs.²¹

Federal Insurance Affordability Programs



Both the APTC and CSR programs are only available for individuals screened by the federal marketplace and found eligible. Individuals can do one of the following:

- Apply for health coverage through the federal marketplace directly
- Work through an insurer that offers coverage on the marketplace
- Work with a federal marketplace or Web broker

Health insurance plans not offered on the federal marketplace are not eligible for these programs that reduce premium cost reduction and cost-sharing.

Advance Premium Tax Credit



APTC helps individuals at qualifying income levels afford health insurance premiums and is available to individuals between 100 - 400% federal poverty level. The following apply to this program:

- Varies by income
- Requires individuals to pay a certain amount towards premiums to cover themselves and their families
- Pays the premium charges in excess of the amount paid by individuals
- Qualification is based on federal poverty level
- Credit itself can either be advanced or rebated

Cost-Sharing Reduction



The CSR program potentially can reduce cost-sharing that qualifying individuals may owe for healthcare expenses. There is no separate application for this program.

Individuals who qualify for the CSR program must select a specific type of plan to receive the benefit. They may need to pay slightly more in monthly premiums; but, it will translate into reduced cost-sharing responsibility when the individual seeks care.

Verification



New federal rules require states to pursue electronic opportunities to verify information provided by an individual in the application process, without requesting duplicate information from the individual.

For example, citizenship is verified through the Department of Homeland Security (DHS) when the data is automatically triggered through the State Online Query (SOLQ). If an individual's citizenship has been verified on a federal marketplace account transfer, the State will not attempt to verify citizenship via SOLQ or any other method.

When data obtained by states is reasonably compatible with an applicant's attestation, no additional documentation may be required. States have flexibility in defining reasonable compatibility standard for Medicaid, CHIP, APTC, and CSR.

Check Your Understanding



Take a moment to check your ability to answer the following questions for a client. The answers will be on the next two slides.

- As a result of ACA, what will be different about Medicaid program applications beginning October 2013?
- What new methods for submission are available for the Indiana Application for Health Coverage?
- When do electronic account transfers come to the **s**tate from the federal marketplace?
- Who is responsible for validating information on the Indiana Application for Health Coverage?

Check Your Understanding



As a result of ACA, what will be different about Medicaid program applications beginning October 2013?

- There will be a new Indiana Application for Health Coverage.
- The HIP application will have some changes.
- There is no longer a Hoosier Healthwise application.
- The Indiana Application for Health Coverage is now separated from the SNAP/Cash Assistance form.

What new methods for submission are available for the Indiana Application for Health Coverage?

- The application is currently submitted online, by mail, fax, and in person. The application will now also be submitted via telephone or by electronic transfer.

Check Your Understanding



When do electronic account transfers come to the State from the federal marketplace?

- If the federal marketplace system determines the individual is potentially eligible for Medicaid, the federal marketplace will electronically transfer the account to the State for final eligibility determination.

Who is responsible for validating information on the Indiana Application for Health Coverage?

- The State is responsible for validating information and should do so without requesting duplicate information from the individual. Computerized verification processes will be run as part of the application process, and the State will use reasonable compatibility standards on verifications.

Communicating with Clients



Many changes are coming this October and into 2014, and you, your team members, and the public will have questions. Refer to the following for more information:

The ***ACA Communication Directory and Call Script*** will provide answers to questions and help you understand where to direct clients for additional information. This is an important tool to ensure all clients receive the same message.

Summary



In this training, you learned the following:

- The role of the federal marketplace and how it interacts with Medicaid health coverage and enrollment
- Changes in Medicaid applications, submissions, and verification

Congratulations



You are at the end of this lesson. Thank you for your time and participation.

