

Selected provisions in federal and state health care reform that are important to children with special health care needs in Massachusetts

Provision under Patient Protection and Affordable Care Act of 2010 (ACA)	ACA section and details	Massachusetts Chapter 58 and other applicable state laws and options
<p>Prohibits private insurance companies from denying coverage to children under age 19 based on a pre-existing condition</p> <p>Goes into effect: plan/policy year beginning on or after September 23, 2010.</p>	<p>Section 2704</p> <p>This provision applies to all plans in both the group and individual markets except grandfathered individual health insurance coverage that were in existence on March 23, 2010.</p>	<p><i>Policy denials</i> based on a pre-existing condition were not allowed in MA prior to ACA; <i>limits on coverage</i> for the specific pre-existing condition were allowed for up to six months if the individual was newly insured. This will no longer be allowed under ACA.</p>
<p>Guaranteed issue and guaranteed renewal</p> <p>Goes into effect: January 1, 2014</p>	<p>Section 2702 and 2703</p> <p>A new policy must be issued and an existing policy must be renewed for anyone who meets the basic criteria for coverage under that plan, regardless of health status, age, gender, etc. Applies to individual and group plans but not grandfathered plans.</p>	<p>Already required in MA – no change</p>
<p>Prohibits rescission of coverage (insurance companies cannot retroactively drop your coverage because you made a mistake on your application)</p> <p>Goes into effect: plan/policy years that began on or after September 23, 2010</p>	<p>Section 2712</p> <p>This provision applies to <u>all</u> health plans, including grandfathered plans, except in cases of fraud</p>	<p>Already prohibited in MA – no change</p>
<p>Removes the annual and lifetime benefit caps for children and adults</p>	<p>Section 2711</p>	<p>New for MA – ACA provision applies to Massachusetts health plans as specified,</p>

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<p>Goes into effect: September 23, 2010 for lifetime benefit caps and ‘restrictive’ annual benefit caps</p> <p>As of January 1, 2014: no annual benefit caps permitted</p>	<p>Beginning September 23, 2010, insurance companies cannot impose a <u>lifetime</u> benefit cap on both new and current plans, or an <u>annual</u> benefit cap of less than \$750,000 on new individual plans, and existing individual and group plans. (In 2014, no restrictive annual benefit caps will be allowed.)</p>	<p>including self-funded plans</p>
<p>Establishes a new coverage option for uninsured children and adults with pre-existing conditions (the Pre-existing Condition Insurance Plan or PCIP)</p> <p>Went into effect July 1, 2010</p>	<p>Section 1101</p> <p>To be eligible for coverage under the MA PCIP, a person must:</p> <ul style="list-style-type: none"> • Be a citizen or national of the United States or lawfully present in the United States. • Have been uninsured for at least the last six months before you apply. • Have had a problem getting insurance due to a pre-existing condition <p>In addition to a monthly premium, there are other costs, such as co-pays, co-insurance and deductibles.</p>	<p>While there are no age or income limits associated with the MA PCIP, it is unlikely to be a robust option for a large number of CSHCN. Limitations include a lack of pediatric-specific benefits, no child-only policy option and fairly expensive premiums for the coverage offered. The CSHCN and young adults with special health care needs who may benefit are those who have been uninsured for six months or more, whose family’s countable income is higher than the state’s Medicaid or CHIP program eligibility, who do not meet the disability or income criteria for other pathways to Medicaid coverage (such as SSI or CommonHealth) and/or whose age (over 18) means they are not yet protected by section 2704 which prohibits private insurance companies from denying coverage based on pre-existing conditions.</p>

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<p>Individual mandate to obtain coverage</p> <p>Reference: “Re-forming Reform: What PPACA Means for Massachusetts” (Seifert & Cohen, 2010)</p> <p>See the chart on page 11 for details on the affordability threshold under ACA compared with MA</p> <p>See the chart on page 12 for details on individual mandate penalties</p> <p>Goes into effect: January 1, 2014</p>	<p>Section 1501</p> <p>A consumer must have qualified health coverage to avoid penalties under the individual mandate. Coverage obtained through any of the following qualifies:</p> <ul style="list-style-type: none"> • A government-sponsored health plan, such as Medicare, Medicaid, Children’s Health Insurance Program (CHIP) or TRICARE • Employer-based coverage, a plan that an individual or family receives through an employer, including through the Exchange. • Individual coverage, a plan purchased in the individual insurance market, including through the Exchange. <p>Subsidies to help with affordability will be offered.</p>	<p>MA already has an individual mandate for coverage through Chapter 58. There are differences, however, between the affordability subsidies and penalties for not having coverage under ACA and Chapter 58. The federal subsidies are currently lower than those through Commonwealth Care and more lower-income people will be required to have coverage under ACA.</p> <p>Until 2014, the Health Connector will continue to set minimum credible coverage standards, affordability guidelines and premiums. In the interim, state and federal officials will be working on ways to address these differences.</p>
<p>Essential benefits</p>	<p>Section 1302</p> <p>ACA requires that qualified individual and small group plans (whether offered through the Exchange or not) include “essential benefits”. Large group plans and grandfathered plans are exempt.</p> <p>The essential benefits under ACA include:</p>	<p>In MA, a standard called ‘minimum credible coverage’ (MCC) does basically the same thing that the essential benefits are intended to do: protect consumers by defining the comprehensive coverage they need to have to avoid penalties under the individual mandate. Note that in MA, ALL insurance coverage is required to meet MCC to avoid penalties, not just</p>

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	<ul style="list-style-type: none"> • <u>Ambulatory patient services</u>, • <u>Emergency services</u> • <u>Hospitalization</u> • Laboratory services • <u>Maternity and newborn care</u> • Pediatric services, including oral and vision care* • Bright Futures developmental screenings and preventative care* • Rehabilitative and habilitative services and devices* • Prescription drugs • Mental health and substance abuse services; including behavioral health* <p>Exactly what the definition, duration and scope of benefits will be under each of these broad categories is yet to be determined by the US Department of Health and Human Services.</p> <p>*especially important to CSHCN</p> <p><u>Categories included under both ACA and</u></p>	<p>products offered through the Connector or through individual/small group plans. This is another difference between ACA and Chapter 58 that will have to be reconciled.</p> <p>MA requires the following under MCC:</p> <ul style="list-style-type: none"> • <u>Ambulatory patient services</u>, including outpatient day surgery and related anesthesia • <u>Emergency services</u> • <u>Hospitalization</u> • Diagnostic imaging and screening procedures, including x-rays • <u>Maternity and newborn care</u> • <u>Medical/surgical care, including preventative and primary care</u> • <u>Mental health and substance abuse services</u> • <u>Prescription drugs</u> • Radiation therapy and chemotherapy <p>Coming in 2011:</p> <ul style="list-style-type: none"> • No fixed-dollar cap on prescription drug benefits • Core medical services and a broad range of medical services for any
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<p>Goes into effect: January 1, 2014</p>	<p><u>Chapter 58</u></p>	<p>dependents, if dependents are covered</p> <p><u>Categories included under both ACA and Chapter 58</u></p>
<p>Extending coverage of young adults on their parent’s policy to age 26</p> <p>Goes into effect: plan/policy year beginning on or after September 23, 2010.</p>	<p>Section 2714</p> <p>Eligibility for this provision under ACA:</p> <ul style="list-style-type: none"> • The parent’s plan must offer dependent coverage and the parent must enroll in a family or dependent plan. • Parents must be allowed to enroll in whatever family or dependent coverage is available to them or switch coverage options if they are currently insured. • Applies to individual and group market plans, and includes self-insured plans. • For grandfathered plans, the young adult must not have access to their own employer-sponsored insurance (until January 1st, 2014; then the provision applies to anyone under age 26). 	<p>In MA, prior to ACA young adults could already remain on their parent’s health coverage for two years after they lost dependent status (living with a parent, a dependent on a parent’s tax return or a full-time student) or till age 26, <u>whichever came first</u>. ACA is a bit more generous because it goes to age 26 without any caveats associated with dependent status.</p> <p>Note: In MA, coverage of adult children who are incapable of self-sustaining employment due to disability can be covered at any age on their parent’s family plan. Different insurers have different policies around certification and renewal for what is called adult disabled dependent coverage; see your plan administrator or insurance company for more information.</p>
<p>Requires well child visits and preventive services as part of coverage and prohibits plans from imposing cost sharing (e.g., co-pays) on preventive</p>	<p>Section 2714</p> <p>Under the ACA, <u>new</u> plans must provide coverage for the following without cost-</p>	<p>In MA, as of September 23, 2010 new plans will have to stop requiring co-pays or other cost-sharing for these services. Grandfathered plans are exempt.</p>

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<p>care.</p> <p>Goes into effect for new plans issued on or after September 23, 2010</p>	<p>sharing:</p> <ul style="list-style-type: none"> • Preventive care/screening based on Bright Futures, a joint initiative of the American Academy of Pediatrics and the US Department of Health and Human Services (www.brightfutures.org) • Additional preventive care/screening based on the US Preventive Services Task Force (http://www.ahrq.gov/clinic/tfchildcat.htm) • Immunizations recommended by the Advisory Committee on Immunization Practices at the Centers for Disease Control and Prevention (http://www.cdc.gov/vaccines/pubs/ACIP-list.htm) 	
<p>Medicaid coverage expansion – eligibility up to 133% of FPL</p>	<p>Sections 2004</p> <p>ACA requires states to expand Medicaid eligibility to everyone whose income is under 133% of the FPL (even childless adults, who generally have been exempted from Medicaid eligibility regardless of income).</p>	<p>This provision probably won't make a huge impact in MA. Children ages 0-19 whose family income is under 150% of the FPL are already covered under Medicaid. (Children 0-1 are already covered under 200% of the FPL.) Children who receive SSI benefits automatically receive Medicaid coverage. Those who meet the SSI disability criteria in MA can buy-in to Medicaid through CommonHealth at any</p>

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<p>Goes into effect January 1, 2014.</p>		<p>income level (although the sliding fee premium schedule puts a damper on affordability.) Current Medicaid waivers are not impacted by ACA.</p>
<p>Continuation of Medicaid coverage of former foster care children until age 26</p> <p>Goes into effect January 1, 2014.</p>	<p>Sections 2004</p> <p>ACA requires states to continue providing Medicaid coverage to children who have aged out of the foster care system but who are under age 26.</p>	<p>MA currently offers children who were in foster care as of their 18th birthday the ability to stay on Medicaid until they turn 21 through the Chafee option. There may be a missed opportunity for continued Medicaid coverage for those young people turning 21 before January 1, 2014, when the ACA provision goes into effect.</p>
<p>Maintain current eligibility criteria and enrollment procedures for Medicaid and CHIP – Maintenance of Effort</p> <p>Applies to eligibility criteria and enrollment processes that were in place on March 23, 2010. This provision will be in effect for children until September 30th 2019.</p>	<p>Section 2001(b)</p> <p>The “Maintenance of Effort” (MOE) provision requires that states keep the income eligibility criteria that they had in place the day ACA was signed. They cannot make it more difficult for families to enroll their eligible children. They cannot increase premiums or enrollment fees. They <u>can</u> increase eligibility or make enrollment easier if they choose.</p>	<p>States still have some flexibility in making changes to benefits or provider rates as a way of managing costs. They can also apply for an exemption from MOE in the event of a state “budget crisis” till 2013.</p>
<p>New coordination between Medicaid, CHIP and the Exchanges in determining eligibility – “No Wrong Door”</p>	<p>Section 1413</p> <p>Under the ACA, a single, simplified form will screen all applicants for eligibility in their state’s Medicaid and CHIP programs and for premium tax credits through the</p>	<p>MA already does this through the Medical Benefit Request (MBR) form – it screens for eligibility in MassHealth, CMSP, Healthy Start, Health Safety Net and Commonwealth Care (but does not automatically screen for CommonHealth</p>

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<p>Goes into effect January 1, 2014</p>	<p>Exchange and then refer them for enrollment to the program for which they qualify.</p>	<p>because there is no disability question). Still to be determined whether MBR will remain as is or be replaced.</p>
<p>Grants to increase capacity in navigating the complexities of health care coverage</p> <p>Grants to be awarded on October 8, 2010</p>	<p>Section 1002</p> <p>Beginning in 2010, \$30 million dollars in grants will be awarded to states through the ACA to create new or strengthen existing health care consumer assistance or ombudsman programs. These consumer assistance programs will help with enrollment in health coverage, provide benefits counseling, educate people on their rights and responsibilities and aid consumers in filing health insurance complaints and appeals.</p>	<p>MA already has a comprehensive array of organizations poised to provide benefits counseling and advocacy. Some expert resources for families of children with special health care needs include:</p> <ul style="list-style-type: none"> • Massachusetts Family to Family Health Information Center (F2F HIC) at http://www.massfamilyvoices.org/ • Health Care for All at www.hcfa.org • Disability Law Center of Massachusetts at http://www.dlc-ma.org/
<p>Changes in hospice care for children under Medicaid</p>	<p>Section 2302</p> <p>Prior to March 23, 3010, children with life-threatening conditions (those with a medically-certified life expectancy of six months or less) enrolled in Medicaid and CHIP programs operating as Medicaid expansions had access to coverage for hospice care, either as an optional benefit or through application of EPSDT. However, their families had to decide to end curative care before they could access</p>	<p>In MA, hospice care for children is already widely-available. It is a MassHealth benefit (which Section 2302 of ACA will now apply to). There is a mandated benefit in MA which allows concurrent care for privately insured children. MA also offers a special program through the Pediatric Palliative Care Network, which is administered by the Department of Public Health through 11 hospice programs located throughout the state. It is available to any child under age 18 with a life-</p>

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Went into effect March 23, 2010	hospice benefits. This provision in ACA allows both curative and palliative care, also called concurrent care, to be offered at the same time.	limiting illness (a six month life-expectancy is NOT required) who does not have access to hospice care through another source, at no cost to the family. For more information, go to http://www.mass.gov/ppcn
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Sources

Chapter 58 of the Acts of 2006: AN ACT PROVIDING ACCESS TO AFFORDABLE, QUALITY, ACCOUNTABLE HEALTH CARE
<http://www.malegislature.gov/Laws/SessionLaws/Acts/2006/Chapter58>

The Patient Protection and Affordable Care Act of 2010 (Public Law 111-148)
<http://thomas.loc.gov/cgi-bin/query/C?c111:./temp/~c111ypYlq6>

Seifert, Robert and Cohen, Andrew (2010). *Re-forming Reform: What the Patient Protection and Affordable Care Act Means to Massachusetts*
<http://massmedicaid.org/~media/Files/Publications/Policy%20Publications/062110NHRReportFINAL.pdf>

Massachusetts Division of Insurance Consumer Alert: *National Health Reform: What Does This Mean for Massachusetts?*
http://www.mass.gov/Eoca/docs/advisories/nat_health_reform.pdf

[www.Healthcare.gov](http://www.healthcare.gov) – a federal government Website managed by the U.S. Department of Health & Human Services, which includes easy-to-understand details on specific topics related to ACA and national health care reform. See “Find Insurance Options” for answers to what your family may qualify for under ACA at <http://finder.healthcare.gov/> and its excellent glossary of health care reform terms at <http://www.healthcare.gov/glossary/a/>

Georgetown Center for Children and Families: Health Reform Implementation Center – friendly and accessible expert policy analysis and opinion, written with a specific focus on topics important to children and families. Sign up for CCF’s “Say Ah!” blog to keep up-to-date on the latest developments in health care reform implementation for kids.
<http://ccf.georgetown.edu/index/hcr>

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The Catalyst Center – Boston University School of Public Health (2010).

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