The Affordable Care Act

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Why Health Care reform?

- First let's see which treatable ailments are in your price range.
- Affordable health care realized.
The Affordable Care Act

We are Going to Talk About Today

• What the Act offers for families with children or adults who have behavioral health, intellectual and developmental disabilities.

• Challenges for states in implementing the Act.

• How you can help healthcare reform succeed for families with children or adults with disabilities.
What to Expect From the Affordable Care Act

America has 50.7 million uninsured people. How will the Act affect this?

- Coverage for an additional 41 million people:
  - 16 million through CHIP and Medicaid expansions
  - 25 million through Health Exchanges.

Congressional Budget Office, 2010
What to Expect From the Affordable Care Act

- Increased access to a broad range of mental health, addiction, and disability specific services for the one in five Americans that live with a mental illness and the 1-3% that live with an intellectual disability.

- More affordable health insurance coverage for individuals and families with incomes up to 400% of poverty (Up to $43,320 for individuals and $88,200 for a family of four) and for small businesses.
Will Healthcare Reform “Bust the Budget”?

- According to the Congressional Budget Office, repeal of the Act will increase the federal budget deficit:
  - By $230 billion from 2012 to 2021.
  - By an amount around one-half percent of the Gross Domestic Product, or about $1.2 trillion in the decade after 2019.

- Repeal of the Act will leave 32 million or more Americans uninsured.

  Congressional Budget Office, January. 6, 2011
Our Take Home Messages

If we want healthcare reform to succeed…

PARTICIPATE

• Find out what your state is doing and how decisions on the design of health care reform are being made.
  – Http://www.ncsl.org/?TabId=21448
  – 71835report.pdf
  – http://www.statereforum.org/
  – Http://www.namd.org

• Work in coalitions with other organizations to have a broader impact.

• Grab a seat at the state tables where decisions are being made.
We are Going to Talk About Three Primary Sections of the Act

• General Provisions of the Act that affect child and family behavioral health and developmental disability services

• Health Insurance Exchanges

• Expansion of Medicaid and Reauthorization of CHIP
General Provisions of the Affordable Care Act
Complexities of the Affordable Health Care Act
Provisions of the Act Are Already Helping Families

Starting 2010:

• Temporary High Risk Pools.

• No more denials of insurance for children under age 19 because of pre-existing conditions. Extends to adults January 1, 2014.

• Coverage for young adults to age 26 on parents’ insurance policies.

• Coverage for preventive care without co-pays.
Provisions of the Act Are Already Helping Families

Starting 2010:

• Grants to start Maternal, Infant, and Early Childhood Home Visiting Programs. $88 million in 2010 and $1.5 billion over five years.

• Beginning of the elimination of annual and lifetime limits on benefits.

• Small business tax credits to offer insurance.
Provisions of the Act Are Already Helping Families

Starting 2011:

• Private insurance companies must spend at least 80% of premium collections on providing actual health care.

• Option for states to enroll Medicaid beneficiaries with chronic disabilities into “health homes.”
Provisions in the Affordable Care Act

Starting 2013:

- Likely start of Community Living Assistance Services and Support (CLASS) enrollment.

- Public Health Insurance Option is established for states to offer non-profit, member-administered Consumer Operated and Oriented Plan (CO-OP) programs to offer high quality and affordable care.
Provisions in the Affordable Care Act

Starting 2014:

• Young Adults Previously In foster care will qualify for Medicaid and EPSDT to age 25.

• Full implementation of the prohibitions of annual and lifetime limits on covered benefits in health plans.
Provisions in the Affordable Care Act

Starting 2014:

- Individual Responsibility – Individuals are required to maintain health insurance for themselves and applicable dependents after 2013 or pay a tax penalty.
- Small business tax credits for offering employees health insurance increase to 50% of employer contributions.
- Large businesses must provide employees with health insurance or pay penalties.
State Implementation Challenges and Advocacy Opportunities

• Planning is already underway in most states and it will be critical to try to get the voice of parents of young children at the table.
  – Hard to get the voice of children’s mental health at the table.
  – Harder to get the voice of early childhood at the table.

• Remember EPSDT.
Health Insurance Exchanges
Health Insurance Exchanges

• An Exchange is a governmental agency or nonprofit entity established by a state to offer an array of qualified health insurance plans for purchase by individuals and businesses. Exchanges must be in place by Jan. 1, 2014.

• States have wide discretion in setting the standards, requirements, and rates for plans offered in the Exchange.

Opportunity: Get involved in your state’s planning to ensure quality, affordable plans with sufficient behavioral health and developmental disability services coverage.
Health Insurance Exchanges: Time Line

Fall 2010:
- HHS Secretary awards first grants to states to plan for Exchanges.

Fall 2011:
- HHS Secretary will likely establish “benchmark” standards for Exchanges.

By 2013:
- HHS Secretary will determine if a state will not have an operational Exchange by 2014.
Health Insurance Exchanges

Eligibility for Participation in Exchanges:

• U.S. citizens and legal immigrants & individuals not incarcerated with incomes up to 400% of the federal poverty level (FPL)

• Small businesses

• After 2017, large employers can participate in Exchanges.
Health Insurance Exchanges

Easy Access:

• “Express Lane Eligibility” allows individuals to apply for and enroll in Medicaid, CHIP, or Exchanges.

Assistance in Enrolling:

• Exchanges are required to have mechanisms to assist individuals in filling out the applications and getting into the correct plan.
Health Insurance Exchanges

• **Opportunity:** Ensure that the application uses language that can easily be understood and can easily be filled out by young adults and individuals with limited education or language skills.

• **Opportunity:** Advocate in your state/community to establish a high quality Navigator Program with staff trained to effectively guide individuals and families with behavioral health needs and developmental disabilities to get the best plans to meet their needs.
Health Insurance Exchanges

• Exchange Health Plan Benefits Packages must offer essential benefits, including rehabilitative and habilitative services, and allows for additional mental health and addiction services.

• Exchanges will offer plans with different levels of benefits, deductibles, and co-pays.
State Implementation Challenges and Advocacy Opportunities

- Decide whether to operate a state Health Exchange or leave it to the Federal Government.
- Develop a governance structure and staffing.
- Make statutory and administrative changes.
- Develop a well-designed market approach with plan choices, regulation, and oversight.
- Develop benefit and cost criteria for plans that will be part of the Health Exchange.
State Implementation Challenges and Advocacy Opportunities

• Design express-lane eligibility and Navigator services that assist low-income individuals to enroll and retain coverage in options that best meet their behavioral health and developmental disability needs.

• Maximize consumer choices. Decide on and shape the benefit packages at each level. (Advocates – fight to ensure that the broadest range of behavioral health and developmental disability services are offered at each level).
State Implementation Challenges and Advocacy Opportunities

• Ensure transparency in price and benefits for all plans.

• Develop efficient eligibility determination and appeal processes.

• Conduct public education to inform people of their health care options, enrollment, rights, and how to appeal decisions.
State Implementation Challenges and Advocacy Opportunities

• Maximize access to individual and group health care plans with a wide range of benefit options:
  – Ensure parity for behavioral health and disability services.
  – Ensure transparency in price and coverage information.
  – Ensure market plan premiums are in line with Exchange plan premiums.

• Ensure an impartial appeals processes.

• Develop electronic data, reporting requirements and review mechanisms for insurance plan accountability.
Medicaid and CHIP
Medicaid and CHIP

Why Is This Expansion Important For Behavioral Health and Developmental Disability Agencies?

- Expansion of Medicaid to 133% of poverty and increased CHIP coverage to about 6.5 million additional children is estimated to increase enrollment in the programs by 33% by 2019.

- Medicaid and CHIP expansion will account for the second largest reduction in uninsured populations, behind the Health Exchanges.

- Large numbers of uninsured individuals, estimated at around 20%, have mental health or substance use problems. (Kaiser Family Foundation, 2009).
Medicaid

Why Is This Expansion Important For Behavioral Health and Developmental Disability Agencies?

• Federal Medical Assistance Percentage (FMAP) for new eligible populations (incomes of 100% – 133% of poverty) increases:
  - 2014, 15, and 16  100%
  - 2017  95%
  - 2018  94%
  - 2019  93%
  - 2020 and beyond  90%

• States can reduce their general fund costs for serving newly eligible populations.
CHIP

Starting 2010:

• States must maintain current eligibility levels for CHIP through Sept. 2019.
• States receive incentive bonuses for increasing enrollment and simplifying eligibility.

Starting 2013:

• States will receive a 23% increase in the CHIP match rate through 2019.

Opportunity: This will create a significant amount of state general funds savings that could be used to fund other behavioral health services.
Medicaid

Starting 2010:

- 1915(i) State Plan Amendment: States can amend their State Plans to offer HCBS as State Plan option benefits.
- Income eligibility is up to 150% of federal poverty level or 300% of the maximum SSI payment.
- States can do one plan amendment with several target populations:
  - Children or young adults with SED
  - Children with specific developmental diagnoses
  - Children or adults with 2 or more institutional placements

Source: Bazelon Center: Medicaid Reforms in the Patient Protection and Affordable Care Act
Medicaid

Starting October 2011:

• Increasing Access to Home- and Community-Based Services: Sec. 2401: Creates a new Community First Choice Option, allowing states to offer community based attendant services and supports for individuals with incomes below 150% of poverty.
Medicaid

Health Homes Starting January 1, 2011

• States can choose to enroll Medicaid beneficiaries with chronic conditions into a Health Home through a State Plan Option.

• Health Homes can be established in community behavioral health or developmental disability organizations.

• Funded by increased FMAP - 90% for certain services for two years.
Opportunity

- Encourage your state to establish Health Homes in community mental health and developmental disability centers as a means of offering high quality physical care, developmental services, behavioral health treatment, and coordinated care for individuals with serious levels of disability.
Medicaid

Starting 2012:

- Allows qualified pediatric providers to be paid capitated rates to provide the overall care for a child.
- Offers fiscal incentives for reducing costs of care (funding must be appropriated by Congress).

Opportunity: To demonstrate approaches to better identify and address behavioral health and disability service needs by primary care practitioners.
HEALTH PLAN

Accountable Care Organization - 5,000 (minimum) Covered Lives

Clinic

Clinic

Clinic

(Health)

Home Primary Care

Mental Health

Health Home

Hospital

Education

Homeless Families

Residential Treatment

Child Welfare

Juvenile Justice
State Implementation Challenges and Advocacy Opportunities

• Maximize the numbers of children and young adults enrolled in CHIP and Medicaid whose care is now paid for with state general funds.

• Provide new enrollees access to the full complement of State Plan behavioral health and developmental disability services, beyond the required basic benefit package.

• Choose to innovate with Medicaid demonstration projects to test new reimbursement methods that reward quality.
State Implementation Challenges and Advocacy Opportunities

• Choose to develop Medical Homes and Health Homes as innovations to reduce costs, provide comprehensive care, and incentivize positive outcomes.

• Choose to innovate with new Medicaid options such as 1915 (i), and Money Follows the Person.

• Develop electronic record, data, and interface systems to monitor provider performance and quality of care.
Citations and Resources

This presentation utilized the following organization web-sites:

• Government Health Care Website

• National Council for Community Behavioral Healthcare
  www.TheNationalCouncil.org

• The Arc www.thearc.org

• The Kaiser Family Foundation www.kff.org

• The Robert Wood Johnson Foundation/George Washington Univ.
  www.healthreformgps.org

• The Bazelon Center for Mental Health Law www.bazelon.org

• The Federal Centers for Medicare and Medicaid www.cms.gov
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