Health Care Reform in Indian Country

Self-Governance Communication & Education

Self-Governance Tribes Striving Towards Excellence in Health Care

Impact of the Affordable Care Act (ACA) on American Indians and Alaska Natives:

Medicaid and Marketplace Coverage

April 25, 2017

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Tribal Priorities

- In a letter to HHS Secretary Price from the Tribal Technical Advisory Group (TTAG) to CMS on March 8, the following Tribal priorities were indicated:
  - **Maintain or strengthen affordability of individual market (*e.g.*, Marketplace) coverage for AI/ANs.**
  - **Retain eligibility under Medicaid to all AI/ANs up to 138% FPL.**
  - Ensure the trust responsibility for Indian health care remains a federal responsibility and is not shifted to the states.
  - Maintain 100% FMAP and give full effect to CMS's recent State Health Official (SHO) Letter.
  - Ensure Medicaid payments to the Indian health care system are not subject to a block grant or per capita cap.
  - Preserve AI/AN-specific provisions in Medicaid, including protections from premiums and cost sharing, prohibition of classifying trust lands and cultural and religious items as resources for eligibility purposes, and other protections.
  - Extend and apply these provisions to urban Indian health care programs (UIHPs), whenever permissible under federal law.

Impact of
Key ACA Marketplace Elements

Federal financial assistance through Marketplace coverage –

- Premium tax credits (PTCs)
- Cost-sharing protections / reductions (CSRs)

Two issues pending before Congress and the Administration –

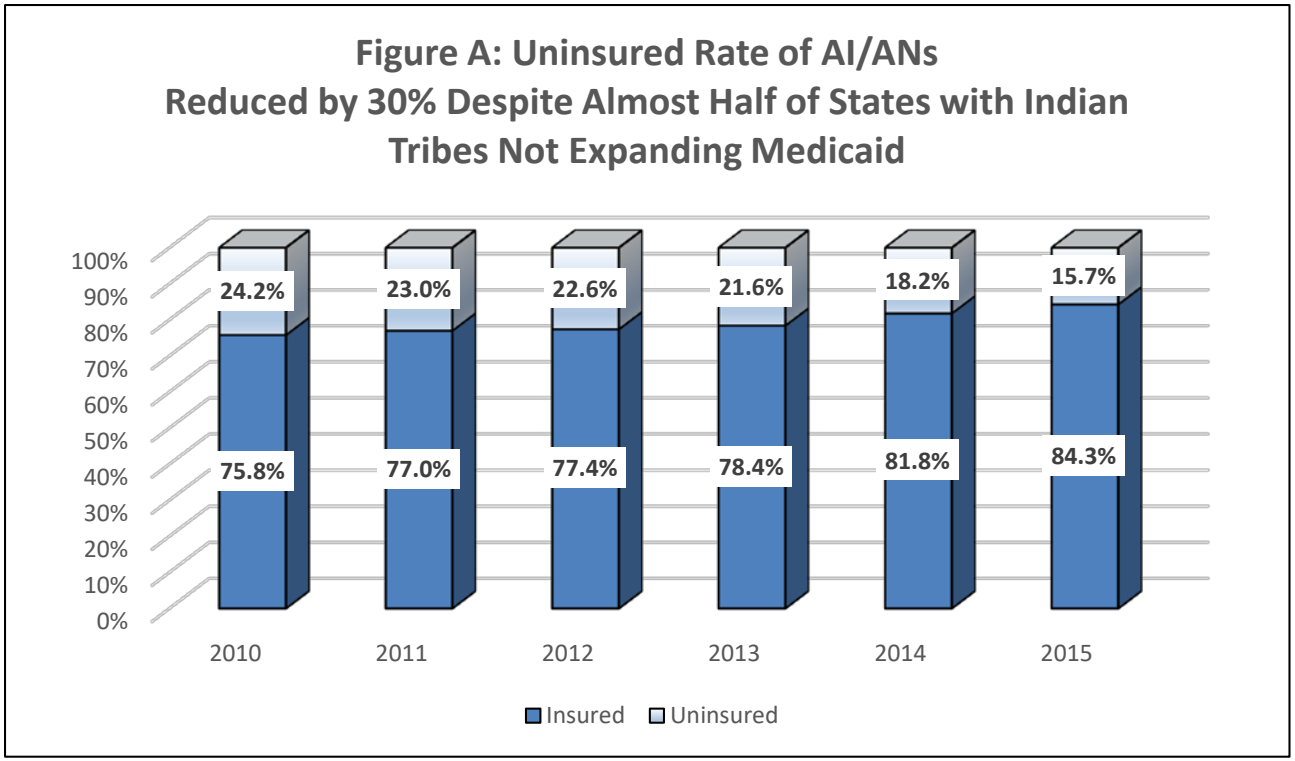
- On-going funding of cost-sharing protections
- Reinstatement of the reinsurance payments to health plans

And, what about the…

- Employer mandate

Nationally, Uninsured Rate for American Indians and Alaska Natives Down 30% Since ACA Enactment

Rate decreased 8.5 percentage points, from 24.2% (2010) to 15.7% (2015)



- Source: U.S. Census Bureau, 2010-2015 American Community Survey, 1-Year Estimates, includes self-identified American Indians and Alaska Natives ("alone or in combination with other races")

AI/ANs, Medicaid, and Marketplace Coverage, by State

- State-by-state figures on AI/AN enrollment in the Marketplace and value of Indian-specific cost-sharing protections can be found at:
  - http://www.tribalselfgov.org/wp-content/uploads/2017/03/TSGAC-Memo-AI-AN-Marketplace-Enrollment-CSRs-2016-2017-03-20b-1.pdf
  - TSGAC memo: AI/AN Marketplace Enrollment and Cost-Sharing Payments, as of December 2016, March 20, 2017

- State-by-State figures on Medicaid enrollment levels of AI/AN can be found at:
  - http://www.tribalselfgov.org/wp-content/uploads/2017/04/TSGAC-Memo-AI-AN-Medicaid-Eligibility-and-Enrollment-2016-04-10b.pdf
  - TSGAC memo: "Substantial Increases in AI/AN Enrollment in Medicaid Expansion States and Ongoing Potential for Additional Increases in AI/AN Enrollment, Particularly in Non-Medicaid Expansion States", April 10, 2017

Source: http://www.tribalselfgov.org/health-reform/2017-health-actions/

In Montana, Uninsured Rate for IHS Active Users Dropped 13 Percentage Points since April 2015

- Comparative data sets from April 2015 and September 2016 identify the change in health insurance status for IHS Active Users in Billings Area.
  - Significant increase in Medicaid enrollment of Active Users over period (+86%) from State implementation of ACA Medicaid expansion in January 2016.
  - Additional enrollment in Medicaid likely.

Figure B: IHS User Population, Billings Area, by Insurance Status: April 2015 vs. September 2016

Insurance Status	April 2015		September 2016		Difference:		% change
	#	% of total	#	% of total	#	% of total	
Medicaid	16,013	22%	29,769	41%	13,756	19%	86%
Medicare	6,244	9%	6,638	9%	394	1%	6%
Private/Other*	15,685	22%	11,165	15%	-4,520	-6%	-29%
Uninsured	34,825	48%	25,147	35%	-9,678	-13%	-28%
TOTAL	72,767	100%	72,719	100%	-48	0%	0%
Total insured	*37,942*	*52%*	*47,572*	*65%*	*9,630*	*25%*	

* Includes "Veterans" insurance status category

Source of Data:
- 2015: RPMS, Insurance Status, Active Users, Billings Area, as of April 30, 2015;
- 2016: RPMS, Insurance Status, Active Users, by Area, as of September 30, 2016 (TSGAC Request).

IHS Active User, Insurance Status, September 2016

- As of September 2016, 26% (420,789) of IHS Active Users nationally were identified as not having health insurance coverage.

Figure C: IHS Active Users, Insurance Status, as of 9/30/2016						
IHS Area	FY 2016 (unduplicated counts)					
	Active Indian Registrants	Medicare	Medicaid	Private Insurance	No Insurance	No Insurance as % of Total
Alaska	158,674	11,563	31,782	52,209	63,120	40%
Albuquerque	84,411	8,872	46,390	14,729	14,420	17%
Bemidji	110,526	10,664	37,097	33,235	29,530	27%
Billings	72,719	6,638	29,769	11,165	25,147	35%
California	88,934	7,973	35,626	23,876	21,459	24%
Great Plains	129,991	10,430	54,192	20,933	44,436	34%
Nashville	56,620	5,263	13,194	18,607	19,556	35%
Navajo	244,209	29,523	147,541	31,811	35,334	14%
Oklahoma City	361,052	44,385	105,644	101,639	109,384	30%
Phoenix	176,048	13,777	94,486	33,026	34,759	20%
Portland	111,122	10,758	52,609	26,816	20,939	19%
Tucson	27,964	2,360	17,605	5,294	2,705	10%
All Areas	**1,622,270**	**162,206**	**665,935**	**373,340**	**420,789**	**26%**

Source: Indian Health Service, April 2017, provided to Tribal Self-Governance Advisory Committee.

Net Premium Costs Under Affordable Care Act

(Example of Big Horn County, Montana; 2017)

Figure D: Net Annual Household Premium Contribution for Selected Bronze PPO Plan; Big Horn County, Montana (2017)[1]				
	Household size:	1-p HH	2-p HH	3-p HH
	Number enrolled:	1 enrollee	2 enrollees	3 enrollees
	FPL			
Premium Tax Credit (PTC) eligible	140%	$0	$0	$0
	150%	$0	$0	$0
	175%	$159	$0	$0
	200%	$595	$194	$726
	225%	$1,023	$772	$521
	250%	$1,505	$1,422	$1,338
	300%	$2,520	$2,791	$3,061
	350%	$3,096	$3,567	$4,038
	400%	$3,671	$4,343	$5,014
Non-PTCs	Over 400%	$4,827	$9,654	$14,480

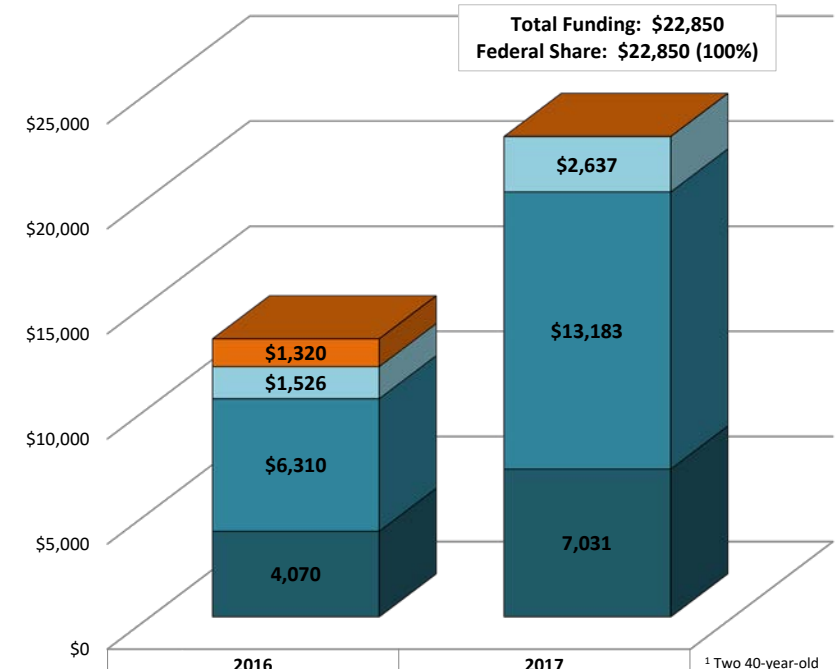
[1] BC BS Basic 103, a MSP (BC BS of Montana) for 40-year-old non-smoker enrollees.

See TribalSelfGov.org: http://www.tribalselfgov.org/wp-content/uploads/2017/01/TSGAC-Memo-Net-Marketpl Premium-Costs-Hold-or-Lower-in-2017-2017-01-1....pdf

Despite Large Increases in Premiums in 2017, Net Premium Costs Are Modest for Most Marketplace Enrollees

(Example of Ponca City, Oklahoma)

Figure E: Source of Funding for Marketplace Coverage, 2016 vs. 2017
- American Indian or Alaska Native Family -
Three-person household; annual income 250% FPL: $50,400
(3 enrollees;[1] Kay County, OK; bronze-level coverage)



	2016	2017
Enrollee - Premium Share	$1,320	$0
Enrollee - Cost-Sharing	$0	$0
Federal - IU Payment	$1,526	$2,637
Federal - Premium Share	$6,310	$13,183
Federal - Cost-Sharing	$4,070	$7,031

[1] Two 40-year-old adults and one minor child enroll in the Marketplace.

Net Premium Costs Under Affordable Care Act

(Example of Norman, Oklahoma)

Figure F: Norman, Oklahoma: 2017 Net Annual Household Contribution for Marketplace Premium for Lowest Cost Bronze Plan: PPO[1, 2]				
HH size:	1-p HH	2-p HH	3-p HH	
# enrolled:	1 enrollee	2 enrollees	2 enrollees	Average
FPL				
140%	$0	$0	$0	$0
150%	$0	$0	$0	$0
175%	$0	$0	$0	$0
200%	$0	$0	$0	$0
225%	$223	$0	$0	$74
250%	$704	$0	$670	$458
Average per HH	$155	$0	$112	$89
Average per person	$155	$0	$56	$70

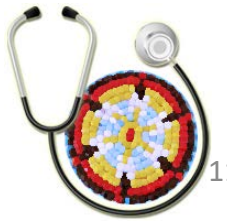
[1] Blue Advantage Bronze PPO 105 (BC BS of Oklahoma)

[2] PPO = Preferred Provider Organization (broader network of providers)

Impact of Affordable Care Act's Marketplaces on Insurance Status of AI/ANs

Marketplace

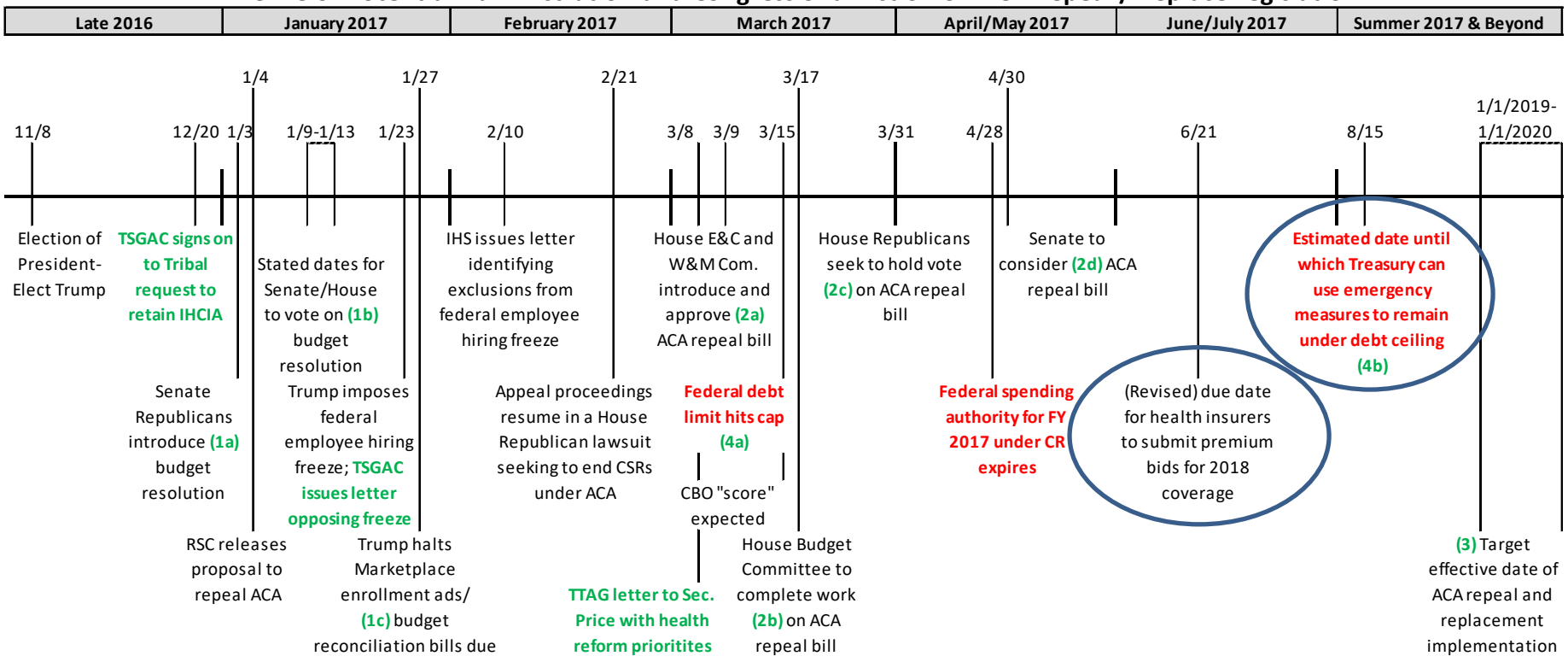
- In 2016, more **than 55,000 AI/ANs** secured coverage through a Federally-Facilitated Marketplace.
  - Enrollment occurred through the initiative of individual AI/ANs or through an Indian Tribe paying the premiums of uninsured Tribal members (Sponsorship).
  - Although Marketplace enrollment levels are currently modest, Marketplace enrollment of AI/ANs is showing substantial year-over-year increases.
    - The 2016 AI/AN Marketplace enrollment level was 17% higher than the 2015 level (47,663).
- **PTCs:** Under one Tribal Sponsorship program, an average of **$5,600 per enrollee** in premium tax credits (PTCs) is being provided by the federal government.
- **CSRs:** AI/ANs (who are enrolled Tribal members or ANCSA shareholders) who enroll in coverage through a Marketplace are eligible for comprehensive cost-sharing reductions (CSRs).
  - Federal government made an average of **$2,089 in cost-sharing payments** on behalf of each AI/AN Marketplace enrollee in 2016.



Timeline for Administration / Congressional Action

(as of March 27, 2017)

Timeline of Potential Administration and Congressional Action on ACA Repeal / Replace Legislation



See TribalSelfGov.org: http://www.tribalselfgov.org/health-reform/2017-health-actions/

Life Cycle Analysis #1: Comparison of ACA to House Health Plan

--Two 22-year-old adults (3/6/2017 Committee mark)

Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. House Plan[1]

Stage 1: 2-Person AI/AN Family in Big Horn County, MT; 2017

Two 22-year-olds; all meet ACA definition of Indian; bronze plan enrollment

HH Income (% FPL)[2]	ACA				House Plan				Net Costs Difference Under House Plan
	(a)	(b)	(c)	(d: a-b+c)	(e)	(f)	(g)	(h: e-f+g)	
	Premiums[3]	Premium Tax Credits[4]	Average OOP Costs[6]	**Net Costs**	Premiums[3]	Premium Tax Credits[5]	Average OOP Costs[6]	**Net Costs**	
0 - 138% ($0 - $22,411)	$0	$0	$0	**$0**	$0 for non-Medicaid expansion population; see 139% FPL figures for "expansion" enrollees[7]				$0 +$5,864
139% ($22,412)	$7,554	$7,554	$0	**$0**	$7,554	$4,000	$2,310	**$5,864**	+$5,864
200% ($32,040)	$7,554	$7,453	$0	**$100**	$7,554	$4,000	$2,310	**$5,864**	+$5,763
250% ($40,050)	$7,554	$6,225	$0	**$1,328**	$7,554	$4,000	$2,310	**$5,864**	+$4,535
300% ($48,060)	$7,554	$4,857	$0	**$2,697**	$7,554	$4,000	$2,310	**$5,864**	+$3,167
350% ($56,070)	$7,554	$4,080	$0	**$3,473**	$7,554	$4,000	$2,310	**$5,864**	+$2,390
400% ($64,080)	$7,554	$3,304	$0	**$4,249**	$7,554	$4,000	$2,310	**$5,864**	$1,614
936% ($150,000)	$7,554	$0	$0	**$7,554**	$7,554	$4,000	$2,310	**$5,864**	-$1,690

http://www.tribalselfgov.org/wp-content/uploads/2017/03/TSGAC-Memo-Life-Cycle-analysis-w-Attach-House-Hlth-Plan-MT-2017-03....pdf

Life Cycle Analysis #2: Comparison of ACA to House Health Plan

--Two 32-year-old adults; two 2-year-old kids (3/6/2017 Committee mark)

Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. House Plan[1]									
Stage 2: 4-Person AI/AN Family in Big Horn County, MT; 2017									
Two 32-year-olds and two 2-year-olds; all meet ACA definition of Indian; bronze plan enrollment									
HH Income (% FPL)[2]	ACA				House Plan				Net Costs Difference Under House Plan
	(a)	(b)	(c)	(d: a-b+c)	(e)	(f)	(g)	(h: e-f+g)	
	Premiums[3]	Premium Tax Credits[4]	Average OOP Costs[6]	**Net Costs**	Premiums[3]	Premium Tax Credits[5]	Average OOP Costs[6]	**Net Costs**	
0 - 138% ($0 - $33,948)	$0	$0	$0	**$0**	$0 for non-Medicaid expansion population; see 139% FPL figures for "expansion" enrollees[7]				$0 +$8,556
139% ($33,949)	$8,936	$8,936	$0	**$0**	$8,936	$5,000	$4,620	**$8,556**	+$8,556
200% ($48,600)	$8,936	$8,130	$0	**$806**	$8,936	$5,000	$4,620	**$8,556**	+$7,750
250% ($60,750)	$8,936	$6,267	$0	**$2,669**	$8,936	$5,000	$4,620	**$8,556**	+$5,887
300% ($72,900)	$13,732	$10,232	$0	**$3,501**	$13,732	$9,000	$4,620	**$9,352**	+$5,852
350% ($85,050)	$13,732	$9,054	$0	**$4,678**	$13,732	$9,000	$4,620	**$9,352**	+$4,674
400% ($97,200)	$13,732	$7,877	$0	**$5,855**	$13,732	$9,000	$4,620	**$9,352**	$3,497
617% ($150,000)	$13,732	$0	$0	**$13,732**	$13,732	$9,000	$4,620	**$9,352**	-$4,380

http://www.tribalselfgov.org/wp-content/uploads/2017/03/TSGAC-Memo-Life-Cycle-analysis-w-Attach-House-Hlth-Plan-MT-2017-03....pdf

Life Cycle Analysis #3: Comparison of ACA to House Health Plan

--Two 50-year-old adults; two 20-year-old kids (3/6/2017 Committee mark)

Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. House Plan[1]									
Stage 3: 4-Person AI/AN Family in Big Horn County, MT; 2017									
Two 50-year-olds and two 20-year-olds; all meet ACA definition of Indian; bronze plan enrollment									
HH Income (% FPL)[2]	ACA				House Plan				Net Costs Difference Under House Plan
	(a)	(b)	(c)	(d: a-b+c)	(e)	(f)	(g)	(h: e-f+g)	
	Premiums[3]	Premium Tax Credits[4]	Average OOP Costs[6]	**Net Costs**	Premiums[3]	Premium Tax Credits[5]	Average OOP Costs[6]	**Net Costs**	
0 - 138% ($0 - $33,948)	$0	$0	$0	**$0**	$0 for non-Medicaid expansion population; see 139% FPL figures for "expansion" enrollees[7]				$0 +$14,217
139% ($33,949)	$18,287	$18,287	$0	**$0**	$18,287	$11,000	$6,930	**$14,217**	+$14,217
200% ($48,600)	$18,287	$18,287	$0	**$0**	$18,287	$11,000	$6,930	**$14,217**	+$14,217
250% ($60,750)	$18,287	$18,045	$0	**$242**	$18,287	$11,000	$6,930	**$14,217**	+$13,975
300% ($72,900)	$18,287	$15,969	$0	**$2,319**	$18,287	$11,000	$6,930	**$14,217**	+$11,899
350% ($85,050)	$18,287	$14,791	$0	**$3,496**	$18,287	$11,000	$6,930	**$14,217**	+$10,721
400% ($97,200)	$18,287	$13,614	$0	**$4,673**	$18,287	$11,000	$6,930	**$14,217**	+$9,544
617% ($150,000)	$18,287	$0	$0	**$18,287**	$18,287	$11,000	$6,930	**$14,217**	-$4,070

Life Cycle Analysis #4: Comparison of ACA to House Health Plan

--Two 60-year-old adults (3/6/2017 Committee mark)

Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. House Plan[1]									
Stage 4: 2-Person AI/AN Family in Big Horn County, MT; 2017									
Two 60-year-olds; all meet ACA definition of Indian; bronze plan enrollment									
HH Income (% FPL)[2]	ACA				House Plan				Net Costs Difference Under House Plan
	(a)	(b)	(c)	(d: a-b+c)	(e)	(f)	(g)	(h: e-f+g)	
	Premiums[3]	Premium Tax Credits[4]	Average OOP Costs[6]	Net Costs	Premiums[3]	Premium Tax Credits[5]	Average OOP Costs[6]	Net Costs	
0 - 138% ($0 - $22,411)	$0	$0	$0	**$0**	$0 for non-Medicaid expansion population; see 139% FPL figures for "expansion" enrollees[7]				$0 +$19,430
139% ($22,412)	$20,500	$20,500	$0	**$0**	$20,500	$8,000	$6,930	**$19,430**	+$19,430
200% ($32,040)	$20,500	$20,500	$0	**$0**	$20,500	$8,000	$6,930	**$19,430**	+$19,430
250% ($40,050)	$20,500	$20,500	$0	**$0**	$20,500	$8,000	$6,930	**$19,430**	+$19,430
300% ($48,060)	$20,500	$20,500	$0	**$0**	$20,500	$8,000	$6,930	**$19,430**	+$19,430
350% ($56,070)	$20,500	$20,387	$0	**$113**	$20,500	$8,000	$6,930	**$19,430**	+$19,317
400% ($64,080)	$20,500	$19,611	$0	**$889**	$20,500	$8,000	$6,930	**$19,430**	+$18,541
936% ($150,000)	$20,500	$0	$0	**$20,500**	$20,500	$8,000	$6,930	**$19,430**	-$1,070

http://www.tribalselfgov.org/wp-content/uploads/2017/03/TSGAC-Memo-Life-Cycle-analysis-w-Attach-House-Hlth-Plan-MT-2017-03....pdf

Medicaid Enrollment Growth is Dependent on State Action to Implement ACA's Medicaid Expansion

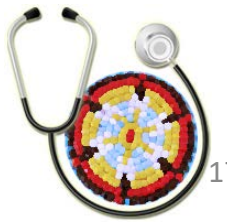
- As of end of 2015 –
  - Net gain of 265,000 AI/ANs in Medicaid coverage
  - Potential for another 264,000 uninsured AI/ANs gaining Medicaid coverage
    - But, require current non-Medicaid expansion states to authorize expansion

Figure D: AI/AN Medicaid Enrollment in States with at Least One Federally-Recognized Tribe; 2010-2015

State	Medicaid Expansion Status	AI/AN Medicaid Enrollment, by Year[1] (Shading Indicates Year Medicaid Expansion Took Effect, if Implemented)						Change (2010-2015)	Remaining Uninsured[2] (0-138% FPL)
		2010	2011	2012	2013	2014	2015		
TOTAL (Expansion States)		788,088	832,882	829,222	865,055	997,360	1,025,585	237,497	133,236
TOTAL (Non-Expansion States)		432,367	443,654	464,815	435,687	434,886	459,880	27,513	130,771
GRAND TOTAL		1,220,455	1,276,536	1,294,037	1,300,742	1,432,246	1,485,465	265,010	264,007

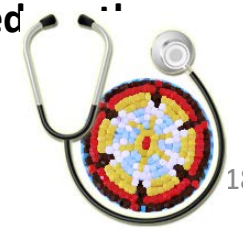
[1] Census Bureau, 2010-2015 American Community Survey, 1-Year Estimates. Alaska, Montana, and Louisiana implemented the Medicaid expansion in September 2015, January 2016, and July 2016, respectively.

[2] Analysis of Census Bureau, 2015 American Community Survey, 1-Year Estimates.



Congressional Budget Office Assessment of House Health Plan, 2017

- The impact of the House Plan projected by the CBO is a net increase in the number of uninsured individuals of 14 million in 2018 and an increase of 24 million uninsured by 2026.
- Federal Medicaid funding would decline by $880 billion between 2017 and 2026, mostly as a result of a 14 million reduction in Medicaid enrollees.
  - For core (pre-ACA) state Medicaid programs, cuts in Medicaid eligibility, benefits and payment rates might be necessary by states in response to reductions in federal funding, in addition to threats to the Medicaid expansion population.
- Under the House Plan, the total reduction in government assistance for securing health insurance (*e.g.*, Medicaid and premium tax credits) and accessing health care services (*e.g.*, cost-sharing protections) is sufficiently large for the federal deficit to be reduced by $335 billion over the next decade, despite a loss of $660 billion in revenues to the federal government as a result of tax repeals contained in the legislation.
  - **Stated another way, federal financial assistance is reduced under the House Plan by $1.2 trillion over the next decade, with $.9 trillion of the savings used to offset tax cuts contained in the legislation and $335 billion remaining to red[illegible] deficit of the federal government.**



AI/ANs, the Affordable Care Act, Medicaid and Marketplace Coverage

http://www.tribalselfgov.org/health-reform/2017-health-actions/