

# **Health Reform Update Administrative Changes**

**Tribal Self-Governance Advisory Committee  
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# Three pronged approach to Repeal and Replace

- AHCA
- Administrative Changes
  - Marketplace
  - Medicaid
- Other statutory changes

# Administrative Changes to Marketplace

- Waive fines for not enrolling in coverage
- Rollback outreach on marketplace coverage
- Tighten enrollment and collect unpaid premiums
- Shorten open enrollment periods

# CMS Market Stabilization Rule

- On April 18, 2017, CMS published a final rule amending Marketplace standards.
- Shortens open enrollment to November 1-December 15, 2017
  - Previously, closing date was January 31, 2018.
  - AI/ANs will continue to be able to enroll on a monthly basis.
- Imposes pre-verification requirements for special enrollment throughout the year, requiring documentation to verify a qualifying event such as marriage, birth, or job loss.
- Defers to states in assessing network adequacy
  - CMS defers to states that have review process at least equal to “reasonable access standard” at 45 C.F.R. 156.230.
  - If states do not meet standard, CMS relies on assessment by accrediting entities.
- Reduces Essential Community Provider (ECP) threshold to including in network 20% of available ECPs in service area
  - Previously required inclusion of 30% ECPs in service area.
  - CMS reversed course and will allow issuers to continue to use write-in process to identify ECPs not included on official HHS list.

# Administrative Changes to Medicaid

- Health and Human Services (HHS) Secretary Tom Price and Seema Verma, the new Administrator for the Centers for Medicare & Medicaid Services (CMS) sent a letter to state governors on March 14, 2017
- The letter called Medicaid expansion a clear departure from the mission of the program and outlined possible changes to Medicaid requirements

# Price/Verma Letter

- The letter suggested CMS might allow work requirements, though it did not specifically mention them, instead alluding to innovations that involve “training, employment, and independence”
- It also stated states may want to consider:
  - Premium or contribution requirements
  - Cost-sharing models
  - Emergency room co-pays
  - Waivers of presumptive eligibility and retroactive coverage

# States' Response to Price/Verma Letter

- States are actively working to implement changes to expansion population
- Proposals include imposing premiums, co-pays and HSA accounts, work requirements, and time limits
- AI/ANs should be exempt from these requirements
- Tribes must engage with their States as early as possible in the process

# Kentucky Waiver Proposal

- Kentucky submitted Section 1115 waiver request on August 24, 2016.
- Monthly premiums of \$1 to \$15 per family.
- Structured as high-deductible health plan with two accounts similar to health savings accounts: one with \$1000 from State to fully fund annual deductible; one to accrue savings and incentives to purchase enhanced benefits.
- Incentives for participation in chronic disease management activities.
- Work requirements for all non-disabled, working age adults without dependents.
- Waiting period of 6 months if disenrolled for failure to comply with program requirements, exception provided for participation in financial or health literacy course.
- SUD waiver to expand access to in-patient SUD treatment.



# Wisconsin Waiver Proposal

- Wisconsin announced that on May 26, 2017 it will submit a proposal to amend its Section 1115 waiver.
- Monthly premiums will range from \$1 to \$10 for persons with income between 20% FPL and 100% FPL.
- Co-pay for emergency room visits of \$8 for first visit and \$25 for subsequent visits within 12-month period.
- Health risk assessments and healthy behavior incentives will reduce premiums by 50% for engaging in certain behaviors.
- Time Limit/Work Requirements. Time limit of 48 months, after which no eligibility for six months. Engaging in 80 hours of work/training per month exempts month from counting toward 48-month limit.
- Drug screening required and may subsequently require drug testing. Individuals will be referred to substance use disorder (SUD) treatment for testing positive, and failure to participate will result in 6 months of ineligibility.
- No Exemptions for American Indians and Alaska Natives

# WI Waiver Work Requirement Exemptions

- The member is diagnosed with a mental illness;
- The member receives Social Security Disability (SSDI);
- The member is a primary caregiver for a person who cannot care for himself or herself;
- The member is physically or mentally unable to work;
- The member is receiving or has applied for unemployment insurance;
- The member is taking part in an alcohol or other drug abuse (AODA) treatment program;
- The member is enrolled in an institution of higher learning at least half-time; or,
- The member is a high school student age 19 or older, attending high school at least halftime.

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