



ALASKA NATIVE
TRIBAL HEALTH
CONSORTIUM

Health Reform Legislation and Impact on the Indian Health System

**Jim Roberts, Senior Executive Liaison
Alaska Native Tribal Health Consortium
Inter-Governmental Affairs**

Presentation Overview

- Repeal/Replace Legislation – American Health Care Act (AHCA)
- Impact and Major Changes of the AHCA
- Tribal Specific Implications of the AHCA
- Tribal Solutions to protect ACA Indian provisions
- Tribal Priorities in the ACA and Medicaid
- Opportunities in Repeal/Replace



Repeal/Replace Strategy

1. Eliminate financing mechanisms (tax credits) to finance cost sharing and premium subsidies through budget reconciliation rules
2. Administrative: Secretarial authority and regulations
3. Legislate following items #1 and #2
4. Strategy in the aftermath of AHCA



Effect of AHCA & Health Coverage

- Significantly change the number of people that are covered by Medicaid and health insurance
- AHCA would result in ~14 million being uninsured than under current law
- After changes in small group markets and Medicaid, uninsured would rise to ~21 million in FY 2020; ~24 million in FY 2024; and ~52 million uninsured by FY 2026
- Significant change in uninsured numbers is primarily due to changes in Medicaid



AHCA Major Changes - Marketplaces

- Eliminate tax penalties: Individual, Employer, PCORI, Cadillac
- Repealed current law subsidies for health insurance through non-group market and cost-sharing reductions to health plans.
- Created new refundable tax credit to purchase health insurance through the non-group market
- Establishes a new Patient and State Stability Fund to assist States to stabilize insurance risk pools
- Relaxes requirements that prevent insurance companies from charging seniors more for insurance unless States set limits
- Eliminate actuarial requirements of health plans to cover at least 60% of the cost of covered benefits.
- Requires insurers to apply a 30% surcharge on premiums for people that who have been uninsured for more than 63 days.

AHCA Major Changes - Medicaid

- AHCA proposed reduction of \$880 billion in Medicaid and significant structural overhaul of the Medicaid program
- This would shift more costs to the States and create serious coverage issues for elderly, blind, disabled, adults and children
- By 2020, phase out of Medicaid Expansion
- Beneficiaries could remain enrolled but ineligible if they drop out of Medicaid for 30 days & at regular State FMAP rate
- Major structural overhaul of Medicaid to change from open-ended entitlement to a per capita based program.
- States would get capped payments based on the number of Medicaid enrollees in different categories (Elderly, Blind, Disabled, Children, Expansion Adults, Non-expansion Adults), which would grow over time but not necessarily as fast as the cost of delivering care
- IHS payments were exempt from per capita payments – SSA 1905(b)

Tribal Priorities

1. Maintain Permanent reauthorization of IHCIA
2. Maintain Monthly Enrollment Option
3. Section 1402(d) special rules for Indians to exempt cost sharing for AI/AN under 300% FPL; or through referral under the contract health service program. **Repealed**.
4. Section 2901(b) Payer of Last Resort
5. Section 2901(c) Facilitating Enrollment of Indians under Express Lane Agency Authority
6. Section 2902 Elimination of Sunset Provision for Part B billing authority
7. Section 9021 Exclusion on Health Benefits Provided by Tribal Governments
8. 100% FMAP “through’ the Indian health system
9. Maintain ARRA cost-sharing and premium exemptions; managed care protections; and Tribal consultation requirements



Legislative Opportunities?

- Four walls Issue? Add Indian Health Provider to the definition of providers at 1905(a)
- Clarify Tribal lands exempt from Medicaid estate recovery rules to include land deemed to be tribal, even if not a reservation
- Exclude AN/AI from IMB and prison limitation for Medicaid beneficiaries
- Allow Tribes to make Medicaid eligibility determinations, not just TANF operated
- Provider based regulations
- Create Medicaid work requirement exemptions
- Amend ACA Health Homes to include for individual “at-risk” of acquiring chronic conditions, not just diagnosed



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Alaska Native people are the healthiest people in the world.



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