

OVERVIEW - FAST TRACK

Tribal Sponsorship of Premiums Under The Patient Protection and Affordable Care Act (ACA)

What is a Tribal Sponsorship program?

The ACA provides an opportunity for any Tribe to establish a Tribally-Sponsored program to purchase health insurance coverage for their uninsured Tribal members through a Health Insurance Marketplace (**"Tribal Sponsorship"**). The Indian Health Care Improvement Act specifically authorizes that Tribes may use funds made available under the Indian Self-Determination and Education Assistance Act (ISDEAA) to purchase health insurance, such as coverage through a Marketplace, for Tribal members.

What are the benefits of a Tribal Sponsorship program?

A Tribal Sponsorship program provides for expanded access to health care for the Tribal member enrollee as well as increased resources available to the Tribal health program. For those formerly uninsured Tribal members who now have insurance under the Marketplace, Tribes can reduce expenditures for services authorized through Purchase and Referred Care (PRC) by accessing substantial federal premium and cost-sharing assistance provided through the Marketplace.

What should a Tribe consider before making a determination about whether to initiate a Tribal Sponsorship program?

A Tribe should carefully study and collect information regarding their uninsured Tribal population, including:

1. Gathering data on number of uninsured Active Users;
2. Analyzing available health plan options and selecting the preferred plan(s);
3. Creating a simplified table illustrating the net premium sponsorship costs for (potentially) eligible persons. ;
4. Estimating enrollment targets and staffing levels;
5. Identifying funding requirements;
6. Identifying Policies and Procedures; and,
7. Establishing terms and conditions for Individual Enrollment Agreements and entering into Agreements with the targeted Tribal members.

A toolkit has been prepared to assist Tribes in completing these tasks.

Can a Tribe include specific provisions under the Individual Enrollment Agreement for the Tribal Sponsorship program that directs the Tribal member to utilize Tribal facilities?

Yes. A Tribe has the authority to establish policies under the Tribal Sponsorship program, such as directing Tribal Sponsorship enrollees to utilize Tribal and IHS health providers. Requiring Tribal members who are under the Tribal Sponsorship program to utilize participating Tribal health providers and programs will not only save PRC funds, but will provide increased revenues to a Tribal health care facility and program which can then be used to expand health services.

With legislative efforts underway to repeal the ACA and replace with new legislation, will Tribes still be able to establish and successfully implement a Tribal Sponsorship program?

Under the House-passed legislation (as of May 4, 2017), the majority of the proposed changes to the premium tax credits (which are reduced sharply) and cost-sharing protections (which are eliminated) are effective as of January 1, 2020. As such, the premium tax credits and cost-sharing protections are scheduled to continue through the end of 2019. This provides at least two years over which Tribes could access the substantial federal financial assistance through Tribal Sponsorship.

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