Health Care Reform in Indian Country

Self-Governance Communication & Education

Self-Governance Tribes Striving Towards Excellence in Health Care

Affordable Care Act and the Indian Health Care Improvement Act:

What Now? / What's Next?

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Affordable Care Act:
What Now? / What's Next?

- Three Priorities
  - **Maximize health resources through existing federal programs**
    - Medicaid / Medicaid expansion
    - Tribal Sponsorship through Health Insurance Marketplace
    - Tribal Sponsorship through Medicare Part B and Part D
  - **Protect gains made in accessing additional resources for health services**
    - Retain Indian-specific provisions in ACA and IHCIA
    - Retain access to federal resources under Medicaid and Marketplace
  - **Engage in enacting ACA improvements**
    - Correct employer mandate as applied to Tribes
    - A number of narrow provisions

Accessing Additional Health Resources - Medicaid

- The table below provides data on AI/AN Medicaid enrollment in the 35 states that have at least one federally-recognized Tribe over the period of 2010 to 2015.
  - For each state, the table shows Medicaid expansion status, AI/AN enrollment by year, the change in enrollment during the six-year period, and the remaining number of uninsured AI/ANs with a household income at or less than 138% FPL.
  - **In states with federally-recognized Tribes, AI/AN Medicaid enrollment rose by about 265,000 from 2010 to 2015,** with expansion states accounting for almost 238,000 of the increase.

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		
Alabama	No	10,451	11,694	14,565	10,327	15,518	12,578	2,127	4,152
Alaska	Yes	43,518	35,726	48,369	45,853	43,340	49,519	6,001	9,753
Arizona	Yes	132,452	138,926	128,442	128,848	151,966	149,385	16,933	31,191
California	Yes	180,674	191,251	191,206	202,205	232,548	255,818	75,144	19,575
Colorado	Yes	25,340	34,218	26,648	28,246	46,316	37,358	12,018	5,191
Connecticut	Yes	10,087	7,324	8,684	9,839	12,308	15,192	5,105	1,042
Florida	No	32,714	39,488	29,370	28,462	34,315	33,765	1,051	7,281
Idaho	No	11,097	8,711	8,112	8,986	8,782	11,803	706	3,719
Indiana	Yes	8,844	15,271	13,723	12,231	16,758	11,507	2,663	2,166

https://www.tribalselfgov.org/wp-content/uploads/2017/06/TSGAC-Memo-AI-AN-Medicaid-Eligibility-and-Enrollment-2017-04-10c.pdf

Protect Program Gains – Current and Potential Additional Medicaid Resources

- The table below provides data on uninsured AI/ANs in the 16 states that have at least one federally-recognized Tribe and have not yet adopted the Medicaid expansion.
  - As of 2015, in non-expansion states, more than 130,000 uninsured AI/ANs might qualify for Medicaid if these states adopted the expansion.

Uninsured AI/ANs with Potential Medicaid Eligibility in Non-Expansion States with at Least One Federally-Recognized Tribe; 2015			
State	All Uninsured AI/ANs[1]	0-138% FPL[2]	
		Number of Uninsured AI/ANs	Percentage of Total Uninsured AI/ANs
Alabama	8,242	4,152	50.4%
Florida	32,010	7,281	22.7%
Idaho	9,866	3,719	37.7%
Kansas	8,796	4,235	48.2%
Maine	3,774	1,795	47.6%
Mississippi	4,780	2,052	42.9%
Nebraska	6,045	2,591	42.9%
North Carolina	32,138	14,085	43.8%
Oklahoma	129,366	42,636	33.0%
South Carolina	7,591	2,199	29.0%
South Dakota	31,195	12,676	40.6%
Texas	60,329	18,760	31.1%
Utah	17,080	3,850	22.5%
Virginia	9,976	3,682	36.9%
Wisconsin	14,185	5,346	37.7%
Wyoming	5,259	1,711	32.5%
TOTAL	380,632	130,771	34.2%

Potential Additional Health Care Resources from Medicaid Coverage

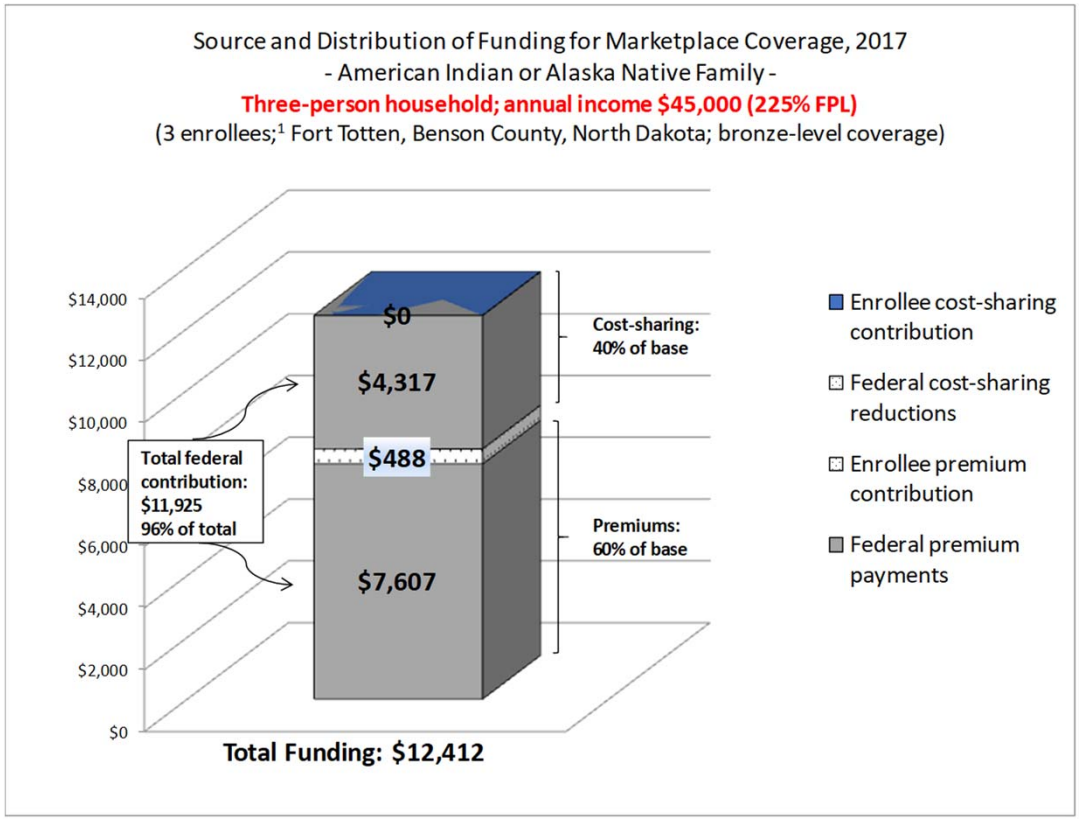
$5,600 x _ _, _ _ _ = $ _ _ ,_ _ _ ,_ _ _

Maximizing Health Resources through Enrolling In Available Federal Programs

- Medicaid
  - Average per enrollee spending of $5,600 under ACA Medicaid expansion
  - In states implementing ACA's Medicaid expansion, available to all persons in households up to 138% of the federal poverty level
- Health Insurance Marketplace
  - Premium tax credits
    - Available to households with income up to 400% FPL ($98,000 for family of four)
  - Comprehensive Indian-specific cost-sharing protections:
    - Enrolled Tribal members pay no cost-sharing when receiving health care services when enrolled in a health plan through a Marketplace
- Medicare
  - Access federal subsidies by enrolling Tribal members in –
    - Part B: Physician and Other Outpatient Services
    - Part D: Prescription Drug Coverage

New Resources Made Available through ACA's Marketplace Coverage

(Example of family of three; $45,000 in household income)



In this example—

- Tribe "sponsors" uninsured Tribal members through Marketplace coverage
  - Tribe's premium costs: $488
  - Federal government pays $7,607 in premium subsidies
- Federal government pays "cost-sharing" for the Tribal enrollee
  - Average of $4,317 per year paid to providers by federal government for three-person household
- Average health resources expended for family of three: $12,412

Net Premium Costs of Marketplace Coverage

Flagstaff, Arizona and Gallup, New Mexico (2017)

- Marketplace enrollees with household income between 100% and 400% of the federal poverty level (FPL) might be eligible for premium subsidies
  - 138% FPL for individual is $11,880; 400% FPL for family of four is $97,200
  - Eligibility for premium tax credits is limited to individuals who are not eligible for Medicaid, Medicare or employer-sponsored coverage

Net Annual Household Premium Contribution for Lowest-Cost Marketplace Bronze Plan; Flagstaff (Coconino County), Arizona (2017)[1]				
	Household (HH) size:	1-person HH	2-person HH	3-person HH
	Number enrolled:	1 enrollee	2 enrollees	3 enrollees
	FPL			
Medicaid	0% - 138%	$0	$0	$0
Premium Tax Credit (PTC) eligible	139%	$0	$0	$0
	150%	$0	$0	$0
	175%	$0	$0	$0
	200%	$0	$0	$0
	225%	$0	$0	$0
	250%	$185	$0	$0
	300%	$1,200	$149	$0
	350%	$1,775	$926	$76
	400%	$2,351	$1,702	$1,052
No PTCs	Over 400% or other non-PTC eligible	$5,398	$10,796	$16,194

[1] Portfolio HSA HMO 6550 (BC BS of Arizona) is the lowest-cost bronze plan. Premiums are for 40-year-old enrollees.

Net Annual Household Premium Contribution for Lowest-Cost Marketplace Bronze Plan; Gallup (McKinley County), New Mexico (2017)[1]				
	Household (HH) size:	1-person HH	2-person HH	3-person HH
	Number enrolled:	1 enrollee	2 enrollees	3 enrollees
	FPL			
Medicaid	0% - 138%	$0	$0	$0
Premium Tax Credit (PTC) eligible	139%	$0	$0	$0
	150%	$0	$0	$0
	175%	$121	$0	$0
	200%	$556	$118	$650
	225%	$985	$696	$1,378
	250%	$1,467	$1,346	$1,224
	300%	$2,482	$2,714	$2,947
	350%	$2,942	$3,491	$3,923
	400%	$2,942	$4,267	$4,900
No PTCs	Over 400% or other non-PTC eligible	$2,942	$5,885	$8,827

[1] Molina Marketplace Bronze (Molina Marketplace) is the lowest-cost bronze plan. Premiums are for 40 year-old enrollees.

Maximizing Health Resources through Current Federal Programs - Medicare

- Tribal Sponsorship of Medicare beneficiaries
  - Part B
  - Part D
- Premiums under Medicare Part B and Part D represent roughly 25% of total average costs
  - Federal government contributes remainder of funding
- Reported net returns to Tribal health programs ranged from 300% to 600%
  - For every dollar spent on Medicare premiums and other administrative costs, after recouping the dollar spent to Sponsor enrollee, additional health resources are generated in the range $3 to $6
    - Cash received by IHS and Tribal providers
    - Savings to Purchased/Referred Care programs
    - Additional health services received by Sponsored individuals

Illustration of Coverage of IHS Beneficiaries: Funding Source, by Insurance Type

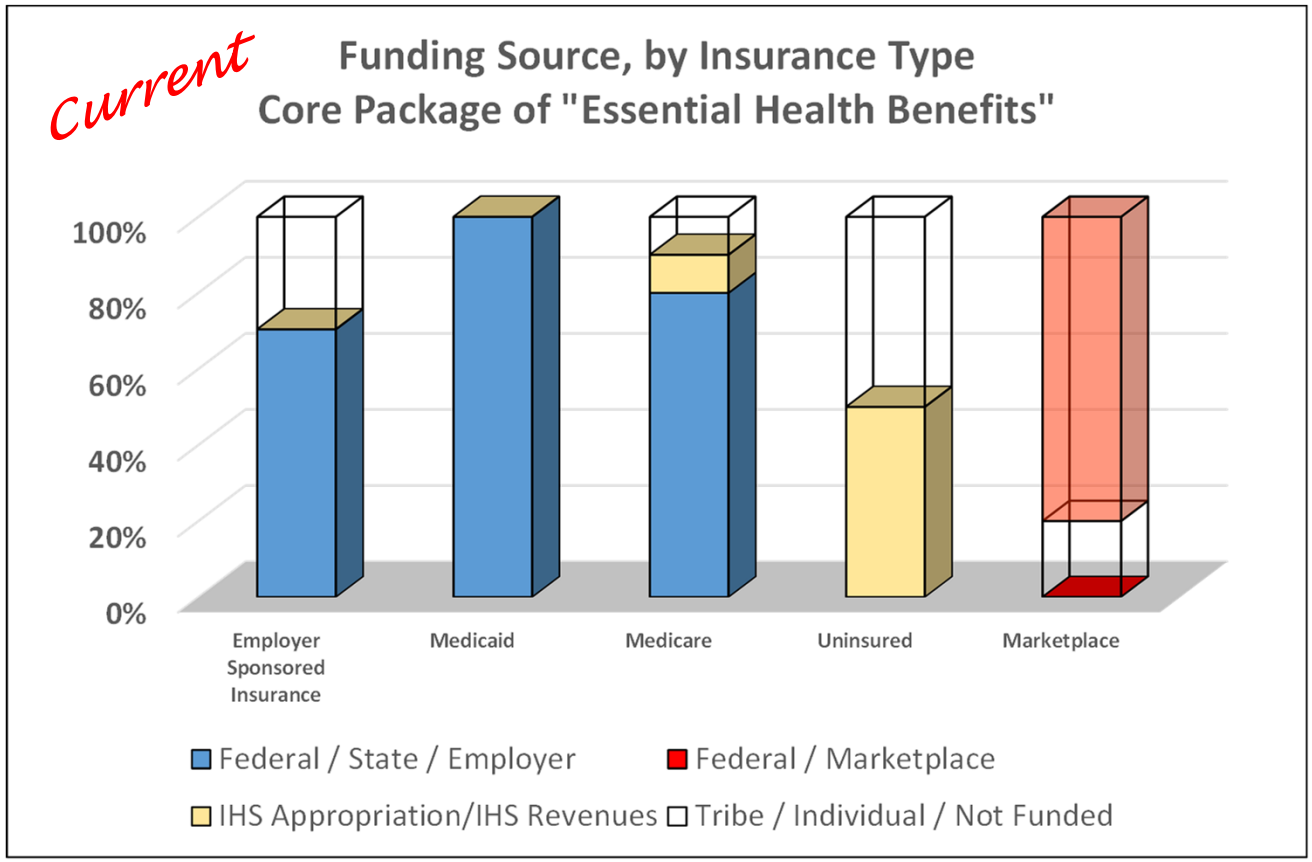
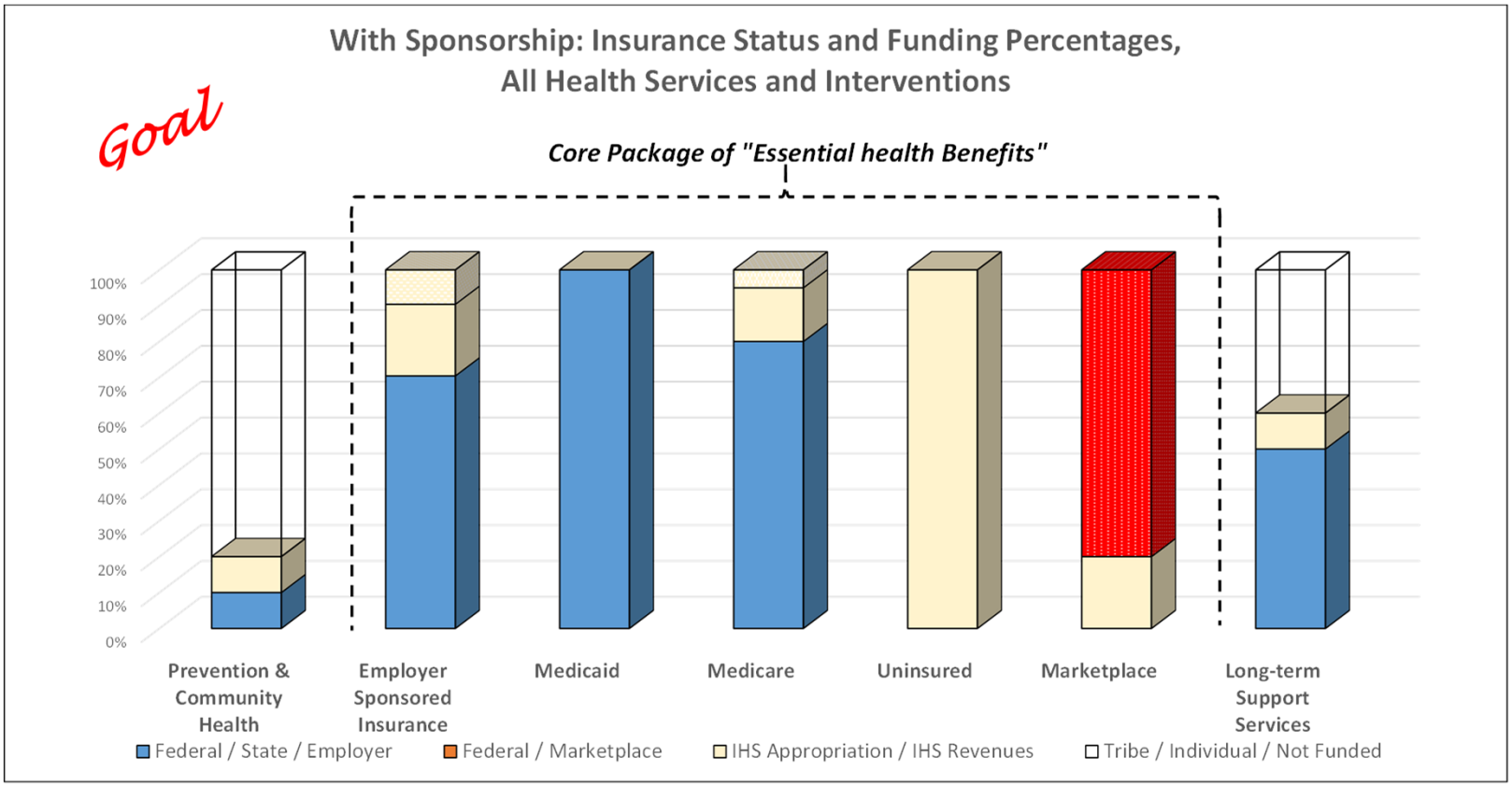
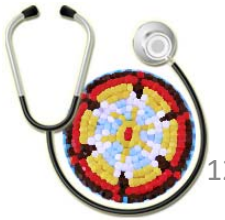


Illustration of Potential Impact of Sponsorship through Marketplace: Insurance Coverage and Funding Sources



Making Needed Changes to ACA / Marketplace Provisions

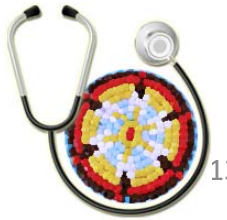
- What is the impact of actions taken by President Trump to defund cost-sharing reductions (CSRs)?
  - For persons enrolling in coverage through a Marketplace who are not eligible for premium tax credits (PTCs), health insurance costs likely to increase by 12% - 20%.
- What is the impact of the Alexander – Murray bi-partisan proposal to implement immediate repairs to ACA?
  - Counter (eliminate) the 12% -20% premium increases.
  - Further reduce Marketplace premiums by 15% - 25% by re-establishing / authorizing federal funding for re-insurance programs
- Need to correct employer mandate as it applies to Tribes
  - One option is to exempt from the calculation of employer shared responsibility payments Tribal member employees of a Tribe



Survey Findings: Characteristics of Respondents

- 57 total respondents
  - 38 of the respondents represent Self-Governance Tribes (operating under a Title V compact)
  - 19 respondents represent Direct Service Tribes (operating with one or more Title I contracts with IHS)
- Respondents are located in 11 different IHS Areas, with Bemidji represented by 15 (or 26%) of respondents

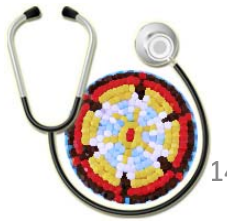
IHS Area of Respondents	
IHS Area	**Number of Respondents**
Alaska	4
Albuquerque	4
Bemidji	15
Billings	1
California	4
Great Plains	2
Nashville	3
Navajo	3
Oklahoma City	9
Phoenix	3
Portland	9
Total	57



Survey Findings: Current Sponsorship Activities Across Direct Service and Self-Governance Tribes

- Engaged in Sponsorship
  - DSTs: 5 of 19 (26%) of respondents are operating a Sponsorship program
  - SGTs: 23 of 35 (66%) of respondents are operating a Sponsorship program
- Engaged in, implementing or analyzing Sponsorship options
  - DSTs: 17 of 19 (89%) of respondents are operating or implementing Sponsorship, or analyzing whether Sponsorship would be beneficial, or interested in doing so
  - SGTs: 32 of 35 (91%) of respondents are operating or implementing Sponsorship, or analyzing whether Sponsorship would be beneficial, or interested in doing so

Survey of Sponsorship Activities: Direct Service Tribes and Self-Goverance Tribes		
Degree of Sponsorship Involvement	**DST**	**SGT**
Engaged in Marketplace sponsorship	5	23
Implementing or analyzing Sponsorship	7	7
Interested in determining if beneficial	5	2
Not interested	2	3
Total	19	35



Survey Findings: Experiences with Tribal Sponsorship, Direct Service and Self-Governance Tribes

Rating of Experiences with Sponsorship Activities: Direct Service and Self-Governance Tribes					
Rating (1 – 5; 5 being most positive)	**DST**		**SGT**		**All**
	#	**%**	**#**	**%**	**%**
Sponsorship through Marketplace					
1 - 2	1	20%	4	21%	Average
3	2	40%	4	21%	
4 - 5	**2**	**40%**	**11**	**58%**	**54%**
Sponsorship through Medicare Part B					
1 - 2	0	0%	1	7%	Average
3	1	20%	0	0%	
4 - 5	**4**	**80%**	**13**	**93%**	**89%**
Sponsorship through Medicare Part D					
1 - 2	0	0%	1	7%	Average
3	1	20%	3	21%	
4 - 5	**4**	**80%**	**10**	**71%**	**74%**
All Sponsorship Programs					
1 - 2	1	7%	6	13%	Average
3	4	27%	7	15%	
4 - 5	10	67%	34	72%	**71%**

- Overall, 71% of respondents rated Sponsorship programs 4 or 5 out of 5
  - Self-Governance Tribes have a slightly more positive experience with Sponsorship programs (72%) versus Direct Service Tribes (67%)
- The greatest differential between DSTs and SGTs was with Sponsorship through a Marketplace
  - 40% of DSTs versus 58% of SGTs rated Marketplace Sponsorship a 4 or 5, although 80% of both DST and SGT respondents rated Marketplace Sponsorship 3 or higher
- Medicare Part B received the highest rating from SGTs
  - 93% rated Part B Sponsorship 4 or 5
- 80% of DST respondents rated experience with Medicare Part B and Part D Sponsorship a 4 or 5

- 7 of 62 (11%) total responses rated a Sponsorship program a 1 or 2
  -- Follow-up inquiries are being conducted to identify issues leading to scores of 1 or 2

ACA Established New Requirements on Employers

- All employers, including Tribal governments, with 50 or more full-time equivalent employees have coverage and reporting requirements under the ACA
  - Requirements started January 1, 2015
- Employers are required to:

(1) "Play": Offer and pay for a portion of coverage --

(a) For full-time employees (persons who work an average of 30 or more hours per week), offer and pay for a portion of coverage if employee enrolls in employer-provided insurance

(b) For dependents of full-time employees, offer coverage but no requirement to pay for coverage

(c) For spouses of full-time workers, no requirement to offer coverage

-- OR –

(2) "Pay": Pay $2,000 to federal government for each FT employee

- Calculated monthly at 1/12th of $2,000 (or $167 per month)

Protect Program Gains – Enforcing Commitments

Promises were made that "repeal and replace" would not simply remove coverage protections –

- "We're going to have insurance for everybody ... There was a philosophy in some circles that if you can't pay for it, you don't get it. That's not going to happen with us."

  —Trump in *Washington Post* interview, 1/15/2017

- "I was the first & only potential GOP candidate to state there will be no cuts to Social Security, Medicare & Medicaid."

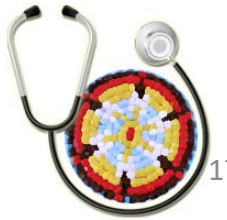
  —Trump via Twitter, 5/7/2015

- "We're going to have great plans. They're going to be much less expensive and they're going to be much better ... But there will be a group of people that is not doing well, that has no money. We cannot let them die in the streets ... We have to take care of them."

  —Trump at an MSNBC town hall, 2/17/2016

- "Everybody's got to be covered. This is an un-Republican thing for me to say ... I am going to take care of everybody. I don't care if it costs me votes or not. Everybody's going to be taken care of much better than they're taken care of now ... the government's gonna pay for it."

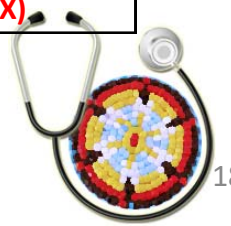
  —Trump in *60 Minutes* interview, 9/27/2015



Protect Program Gains:
Monitor and Educate Congress

Comparison of Votes on Recent Senate Health "ACA Repeal and Replace" Legislation

Legislation	Date of Vote	Vote Tally (Y/N)	Result	Republican Nays
Motion to proceed to debate	7/25/2017	50 - 50	Passed (w/VP voting yes)	Collins (ME), Murkowski (AK)
Better Care Reconciliation Act (McConnell bill)	7/25/2017	43 - 57	Failed	Collins (ME), Murkowski (AK), Heller (NV), Corker (TN), Cotton (AR), Graham (SC), Lee (UT), Moran (KS), Paul (KY)
Obamacare Repeal and Reconciliation Act	7/26/2017	45 - 55	Failed	Collins (ME), Murkowski (AK), McCain (AZ), Heller (NV), Alexander (TN), Capito (WV), Portman (OH)
Health Care Freedom Act ("skinny" repeal)	7/28/2017	49 - 51	Failed	Collins (ME), Murkowski (AK), McCain
Graham-Cassidy-Heller	Withdrawn	NA	Failed	**Stated Opposed: Collins (ME), McCain (AZ), Paul (KY)** **Expressed Concerns: Murkowski (AK), Lee (UT), Cruz (TX)**



Senators Alexander and Murray Bi-Partisan Package of ACA Modifications

- Two years of cost-sharing reductions (CSR) funding, along with funding for the rest of 2017.
- A "copper plan" for people older than 30, which would be less comprehensive than other ACA plans but would have a lower premium.
- $106 million in enrollment outreach funding in 2018 and 2019.
- Shorter review time for states seeking waivers from some of the ACA's coverage requirements.
  - **Includes language to give states greater flexibility under the existing section 1332 waiver authority regarding "comparable affordability"**
  - It's unclear what other waiver changes have been agreed to at this time.
- Authorization for funding to help states launch reinsurance programs, which would defray the costs of covering the sickest consumers.