



# Health Care Reform in Indian Country

**Self-Governance Communication & Education**

***Self-Governance Tribes Striving Towards Excellence in Health Care***

**Enrollment of Tribal Citizens and  
Other Indian Health Service (IHS) Eligible Individuals  
in Health Insurance Coverage through a Marketplace,  
Including Use of Tribal Sponsorship**

**Presentation for  
CMS Assister Training Webinar**

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# Acronyms

## Acronyms:

- **IHS: Indian Health Service**
- HHS: (Federal) Department of Health and Human Services
- CMS: Centers for Medicare and Medicaid Services, HHS
- CCIIO: Center for Consumer Information and Insurance Oversight, CMS/HHS
- **IHCP: Indian health care provider, sometimes referred to as I/T/U**
- **I/T/U: IHS, Tribe or Tribal health organization, urban Indian organization**
- **THO: Tribal health organization**
- ACA: Patient Protection and Affordable Care Act
- PTCs: Premium tax credits
- APTCs: Advanced payment of premium tax credits
- CSRs: Cost-sharing reductions
- **L-CSVs: Limited cost-sharing variation**
- **Z-CSV: Zero cost-sharing variation**
- QHP: Qualified health plan
- FFM: Federally-Facilitated Marketplace
- ECP: Essential community providers
- **PRC: Purchased/Referred Care Program**

**Disclaimer:** *This analysis is for informational purposes only and is not intended as tax or legal advice*



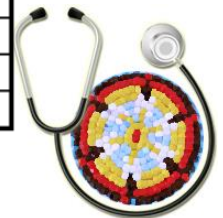
# Federal Poverty Levels (FPL), by Household Size

## 2018 FPL for Use with Marketplace (PTC/CSR) Eligibility Determinations for 2019

48 Contiguous States and the District of Columbia					
2018 FPL Level (Effective for All of the 2018 Coverage Year)					
Persons in Household	100%	138%	250%	300%	400%
1	\$12,140	\$16,753	\$30,350	\$36,420	\$48,560
2	\$16,460	\$22,715	\$41,150	\$49,380	\$65,840
3	\$20,780	\$28,676	\$51,950	\$62,340	\$83,120
4	\$25,100	\$34,638	\$62,750	\$75,300	\$100,400
5	\$29,420	\$40,600	\$73,550	\$88,260	\$117,680
6	\$33,740	\$46,561	\$84,350	\$101,220	\$134,960
7	\$38,060	\$52,523	\$95,150	\$114,180	\$152,240
8	\$42,380	\$58,484	\$105,950	\$127,140	\$169,520

**TABLE A.2: 2019 FPL for Use with (1) Medicaid Eligibility Determinations in 2019 & Early 2020 and (2) Marketplace (PTC/CSR) Eligibility Determinations for All of 2020**

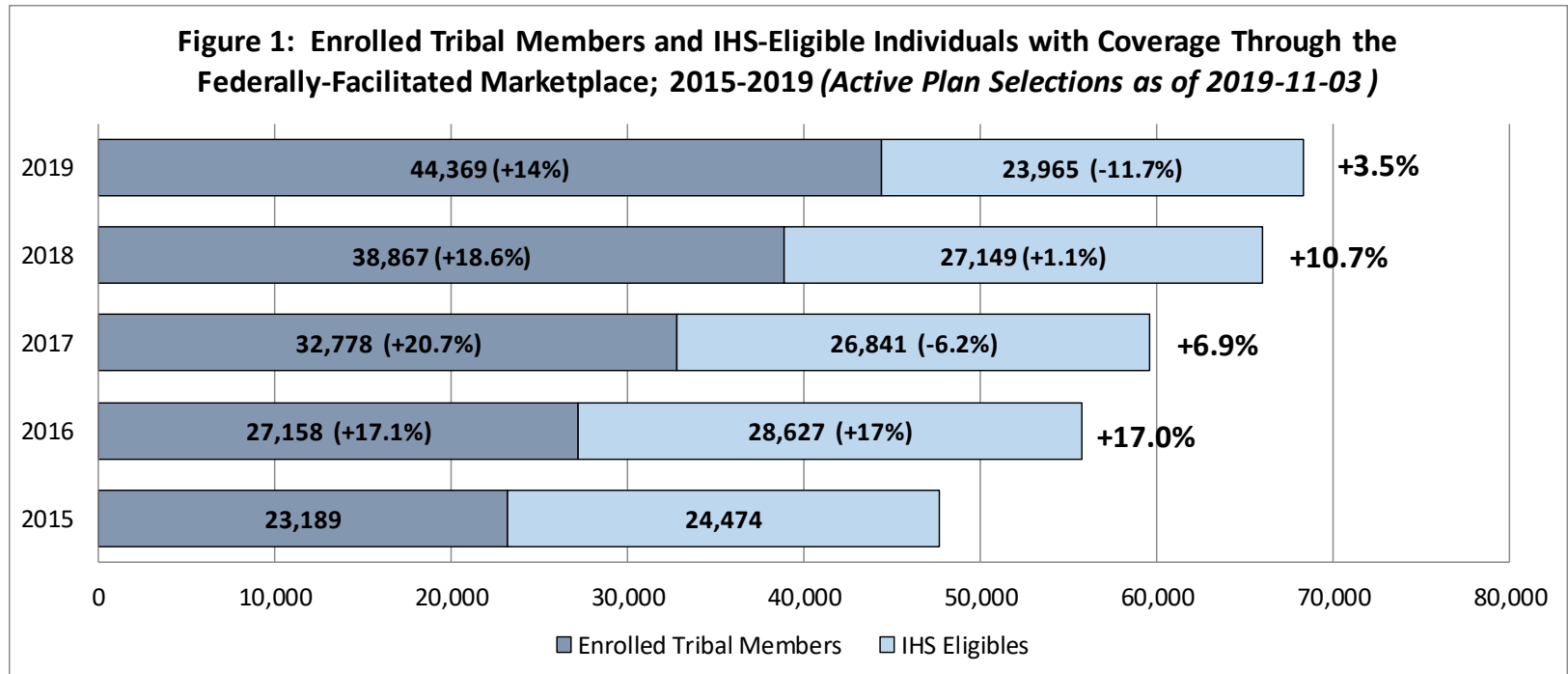
48 Contiguous States and the District of Columbia					
2019 FPL Level (Effective January 11, 2019, Until New Guidelines Issued in Early 2020)					
Persons in Household	100%	138%	250%	300%	400%
1	\$12,490	\$17,236	\$31,225	\$37,470	\$49,960
2	\$16,910	\$23,336	\$42,275	\$50,730	\$67,640
3	\$21,330	\$29,435	\$53,325	\$63,990	\$85,320
4	\$25,750	\$35,535	\$64,375	\$77,250	\$103,000
5	\$30,170	\$41,635	\$75,425	\$90,510	\$120,680
6	\$34,590	\$47,734	\$86,475	\$103,770	\$138,360
7	\$39,010	\$53,834	\$97,525	\$117,030	\$156,040
8	\$43,430	\$59,933	\$108,575	\$130,290	\$173,720



# Increasing Marketplace Enrollment

## Point-in-time enrollments: FFM

- Through Tribal Sponsorship and individual initiative of Tribal members, there has been a growing enrollment of Tribal members and “other IHS eligible” individuals in Marketplace coverage (enrollment on date of report run)



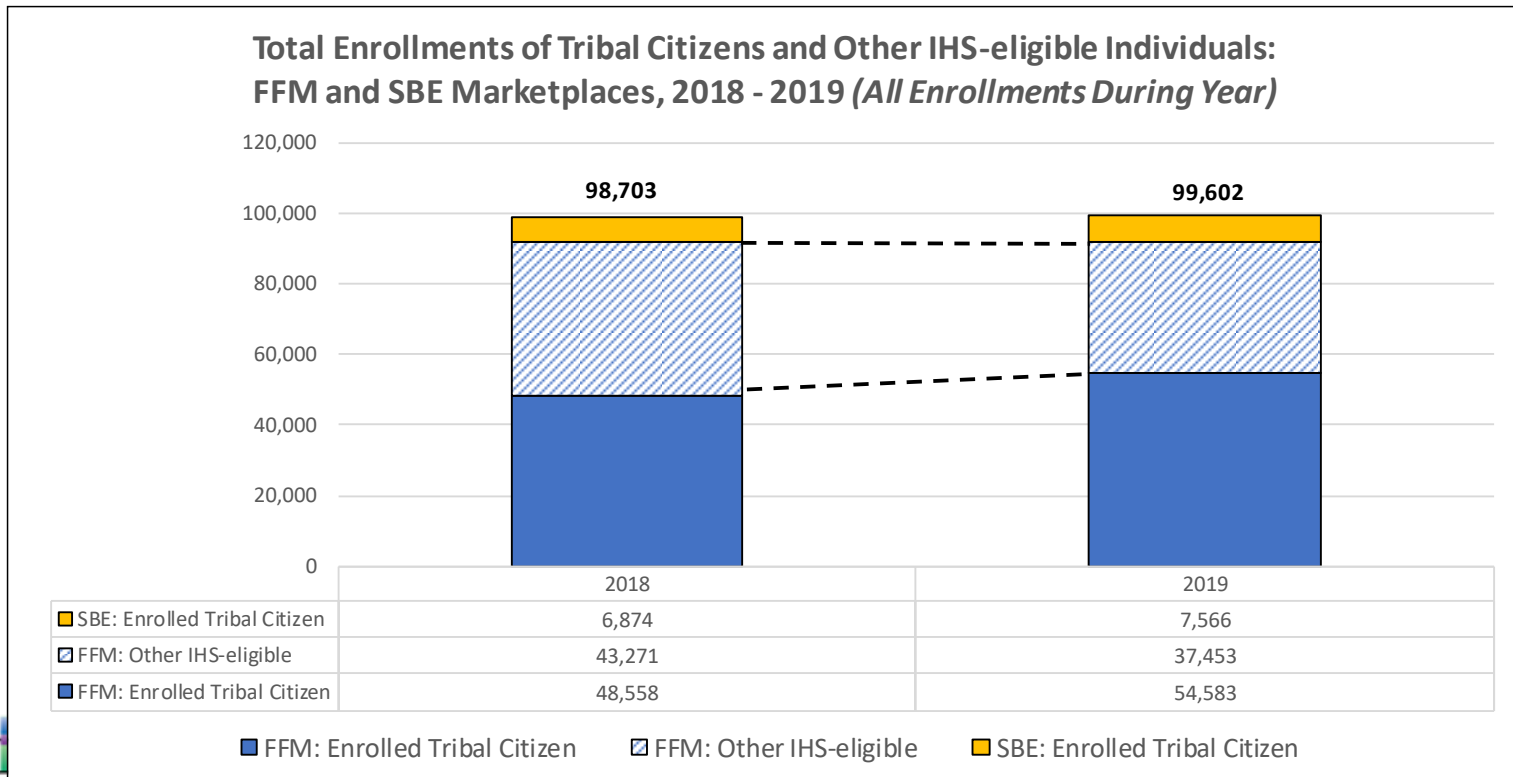
- An additional 7,566 Tribal members were enrolled in State-Based Marketplaces in 2019



# Marketplace Enrollment of AI/ANs

## All Enrollments Over Year: FFM and SBM

- When measuring total enrollments over a year (versus the number enrolled on a single date), total enrollment has been substantially greater
  - Total Marketplace enrollments over the year of Tribal citizens and other IHS eligible individuals neared 100,000



# Tribal Sponsorship Basics

- **Tribal Sponsorship is the purchase of health insurance coverage on behalf of Tribal members or other IHS-eligible persons**
  - For today’s discussion, focus is on payment of premiums for
    - Health insurance coverage secured through a Health Insurance Marketplace
    - Medicare Part B and Medicare Part D coverage
- **Goals of Tribal Sponsorship**
  - Generate additional resources to meet the health care needs of Tribal members
  - Make health services more accessible to Tribal members
- **Mechanism for generating additional resources through Tribal Sponsorship**
  - Through Tribal Sponsorship, Tribe pays a portion of costs (*e.g.*, part of insurance premium) and federal government contributes an even greater amount toward cost of care of enrollees (*e.g.*, federal subsidies for insurance premiums and paying cost-sharing amounts)
  - **Typical return to Sponsoring Tribes of \$4 - \$5 in health resources generated for each \$1 invested in program**

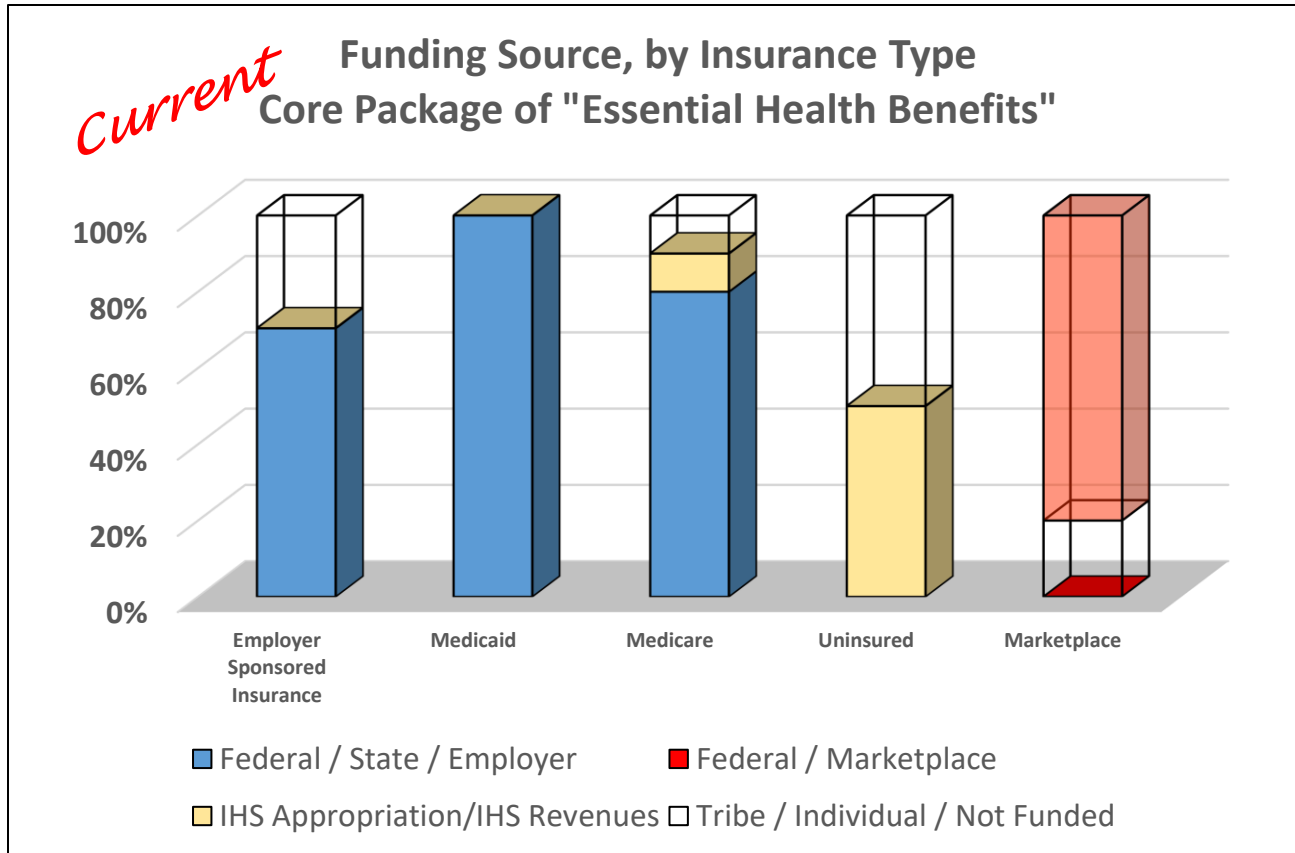


# Accessing Newest Source of Federal Funding for Health Care Services: Marketplace Coverage

- **Long-standing federal revenue streams for health care services**
  - Congressional appropriation to / through Indian Health Service
  - Medicaid enrollment
  - Medicare enrollment
- **Affordable Care Act’s “Marketplaces” provide additional avenue to access federal resources for health care services**
- **Tribes are authorized to use congressional IHS appropriation, 3<sup>rd</sup> party revenues, or other Tribal funds to “sponsor” IHS beneficiaries**
- **Under Marketplace coverage, substantial **federal resources** are available for:**
  - Premium subsidies (premium tax credits/PTCs)
  - Out-of-pocket cost protections (cost-sharing reductions/CSRs)
    - For enrolled Tribal members, no deductibles or co-payments when receiving health care services

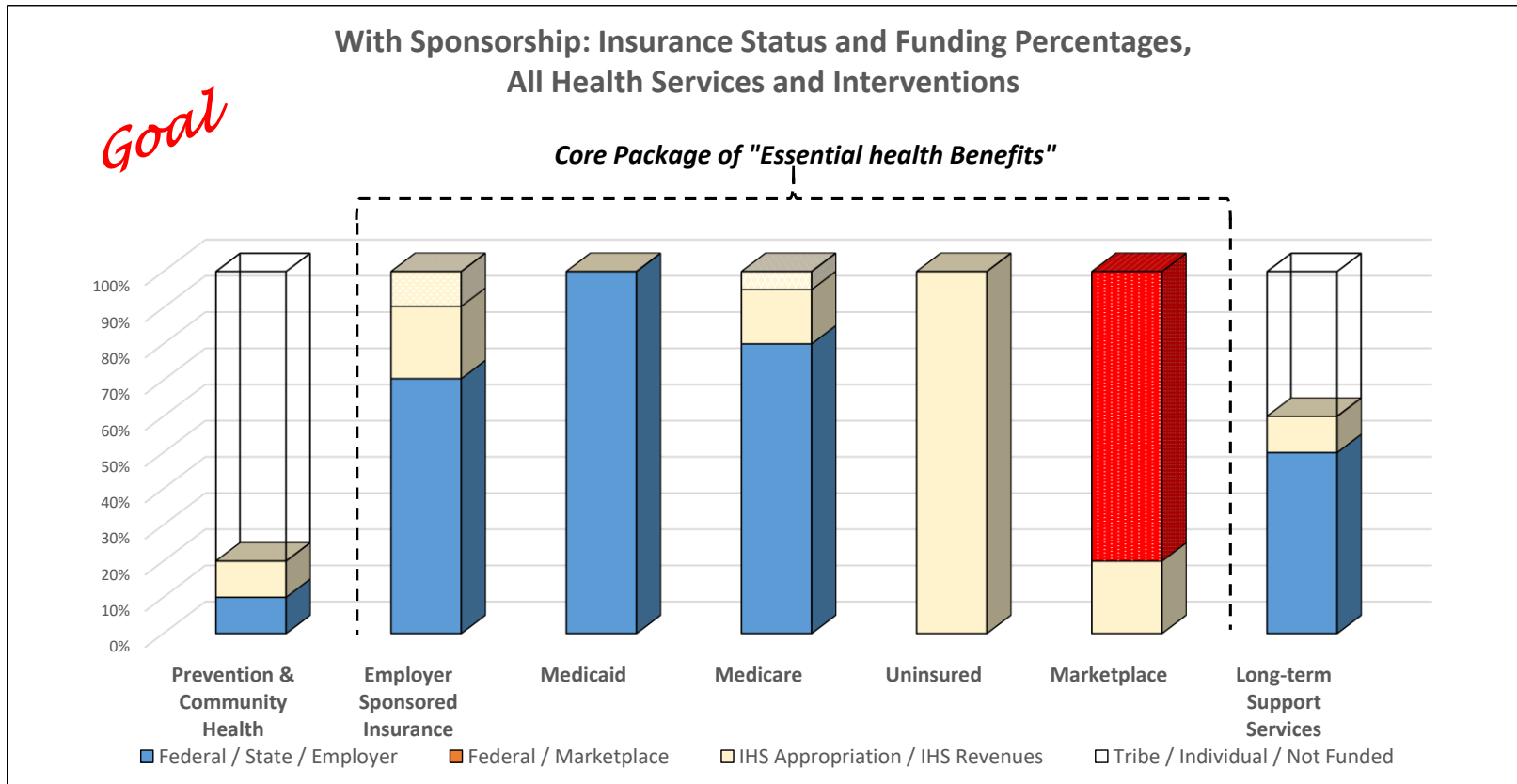


# Illustration of Coverage of IHS Beneficiaries: Funding Source, by Insurance Type





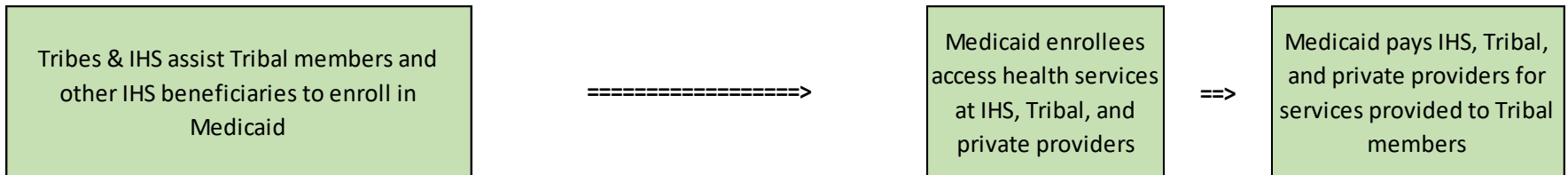
# Illustration of Potential Impact of Sponsorship through Marketplace: Insurance Coverage and Funding Sources



# Accessing Federal Resources for Health Care Services for Tribal Members: Medicaid Enrollment

- Tribes and IHS currently assist with enrolling Tribal members and other IHS beneficiaries in Medicaid coverage

## Medicaid Enrollment



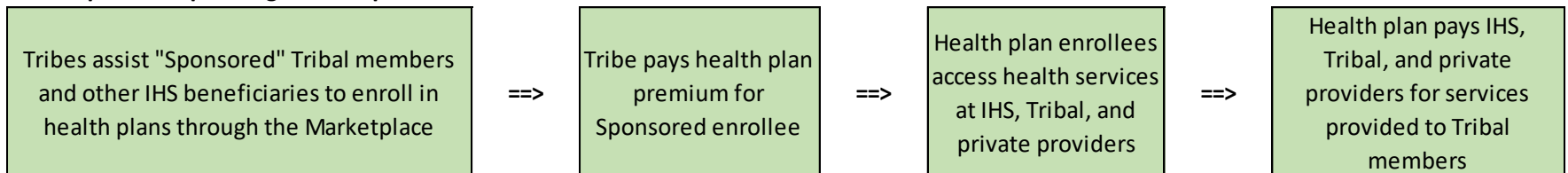
# Accessing Federal Resources for Health Care Services for Tribal Members: Tribal Sponsorship

- Tribal Sponsorship through a Marketplace follows a similar process as Medicaid enrollment, with the primary additional step being the payment of a portion of the health plan premium

## Medicaid Enrollment



## Tribal Sponsorship through Marketplace



- There are a series of operational issues that make Tribal Sponsorship more complex than Medicaid enrollment



# Eligibility Thresholds, by State

- Medicaid / CHIP eligibility overrides eligibility for premium tax credits through a Marketplace
- Tribal Sponsorship programs target eligibility to individuals who are above income thresholds for Medicaid / CHIP

Medicaid and CHIP Eligibility; Marketplace Operations in Selected States (as of January 1, 2019)						
	Arizona	Montana	North Dakota	Oklahoma	South Dakota	Washington
Medicaid income eligibility for adults	Covers all adults up to 138% FPL	Covers all adults up to 138% FPL	Covers all adults up to 138% FPL	Covers parents (in 3-person family) up to 44% FPL; no coverage for childless adults	Covers parents (in 3-person family) up to 51% FPL; no coverage for childless adults	Covers all adults up to 138% FPL
Medicaid/CHIP income eligibility for children (0-18)	Covers all children up to 205% FPL	Covers all children up to 266% FPL	Covers all children up to 175% FPL	Covers all children up to 210% FPL	Covers all children up to 209% FPL	Covers all children up to 317% FPL
Marketplace type	Federally-Facilitated Marketplace	Federally-Facilitated Marketplace (state conducts plan management activities)	Federally-Facilitated Marketplace	Federally-Facilitated Marketplace	Federally-Facilitated Marketplace (state conducts plan management activities)	State-Based Marketplace
CCIIO ECP contracting requirements apply	Yes	Yes	Yes	Yes	Yes	No
Number of enrolled Tribal members with Marketplace coverage (2018)	944	1,128	586	17,781	815	941



# Eligibility Criteria for Marketplace Coverage and Premium Tax Credits

## General Eligibility for Marketplace Enrollment

- Reside in area served by Marketplace (e.g., State of Virginia);
- Reside in the United States legally; and
- Not incarcerated.

## Eligibility for Premium Tax Credits

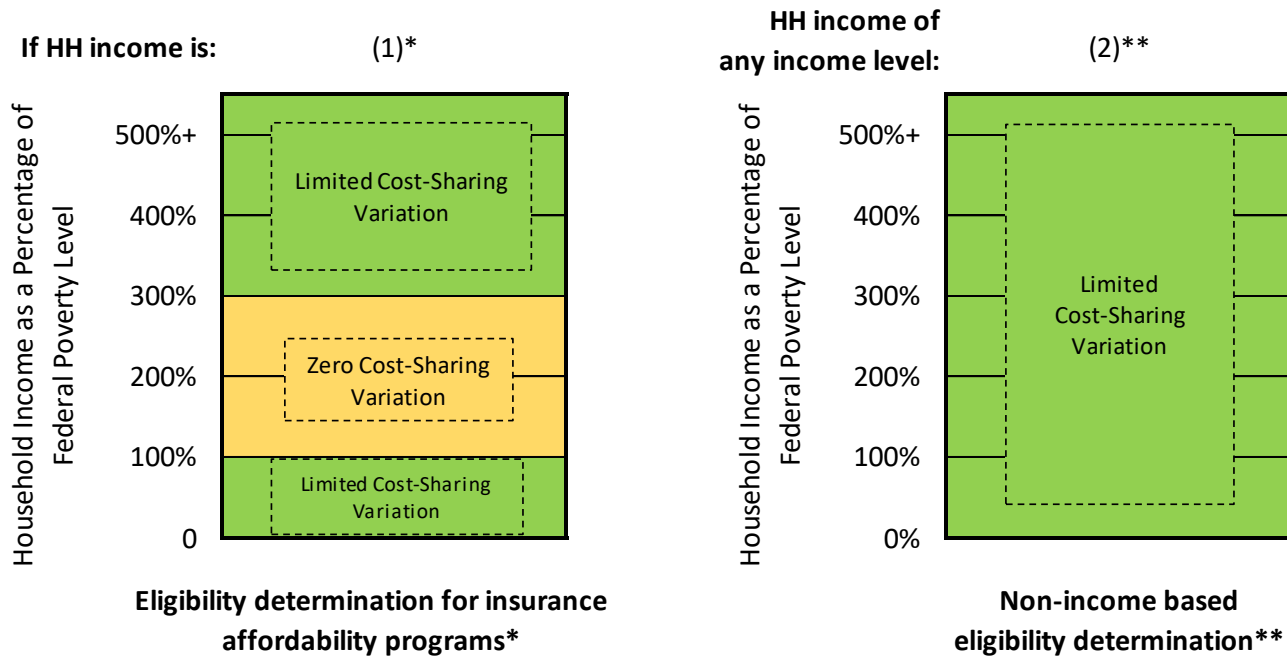
In addition to general Marketplace eligibility requirements:

- Have household income between 100% and 400% of the federal poverty level (FPL)
- Not eligible for Medicare, Medicaid or “affordable” employer-sponsored insurance (through individual’s employer or employer of a family member)
  - Affordability is defined as the lowest cost premium available to employee for single coverage being less than 9.86% (in 2019) and 9.78% (in 2020) of the employee’s household income
  - If an individual is offered coverage through the employer of a family member, the individual is considered to have an offer of affordable coverage if the **employee’s** coverage is considered affordable (referred to as “family glitch”)
- Veterans can be eligible for, but can not enroll in the Veterans Health Care Program (VHCP)
- There is no Indian-specific eligibility criteria for premium tax credits (PTCs)



# Eligibility Criteria for Indian-Specific Cost-Sharing Protections

## Eligibility for Indian-Specific Cost-Sharing Protections: (1) Eligibility determinations for "insurance affordability programs" and (2) non-income based eligibility determinations



45 CFR § 155.350(a) Special eligibility standards and process for Indians.

\* 45 CFR § 155.350(a) Eligibility for cost-sharing reductions.

\*\* 45 CFR § 155.350(b) Special cost-sharing rule for Indians regardless of income.



# Eligibility Criteria for Indian-specific Cost-Sharing Protections

**NOTE:** Important for enrolled Tribal members not to enroll in a health plan with non-Tribal members, otherwise receive least comprehensive cost-sharing protections eligible to a family member.

## Eligibility for **Zero Cost-Sharing** Variation

- Enrolled in health insurance coverage through a Marketplace
- Enrolled Tribal member
  - Documentation of enrollment status will need to be uploaded
- Eligibility for premium tax credits
- Household income between 100% and 300% of federal poverty level

## Eligibility for **Limited Cost-Sharing** Variation

- Enrolled in health insurance coverage through a Marketplace
- Enrolled Tribal member
  - Documentation of enrollment status will need to be uploaded
- Any household income level
- No requirement for eligibility for PTCs



# Actuarial Value of Health Plans at Different Metal Levels

- “Actuarial value” means the average costs of health care services for enrollees that are paid for by the health plan.

Actuarial Value of "Metal Level" Plans and Requirement on Qualified Health Plans to Prepare SBCs for Each Plan Variation*							
Metal Level	Actuarial Value (AV) of Plan (AV = average % of costs covered by plan)	Cost-sharing variation code ("plan variation")					
		01	02	03	04	05	06
		Standard variant: no additional cost-sharing protections	Meet ACA Definition of Indian: <b>Between 100% and 300% FPL</b> ("zero" CSV)	Meet ACA Definition of Indian: <b>Any income level</b> ("limited" CSV)	<b>73% AV Level Silver Plan CSV</b> (200% FPL - 250% FPL)	<b>87% AV Level Silver Plan CSV</b> (150% FPL - 200% FPL)	<b>94% AV Level Silver Plan CSV</b> (100% FPL - 150% FPL)
Bronze	60%	✓	✓	✓			
Silver	70%	✓	✓	✓	✓	✓	✓
Gold	80%	✓	✓	✓			
Platinum	90%	✓	✓	✓			

\* SBCs are Summary of Benefits and Coverage documents

- Health plans on different metal levels offer (1) same health benefits and (2) same provider networks. Plans differ on cost-sharing amounts.





# Summary of Benefits and Coverage (SBCs)

- Summary of Benefits and Coverage (SBCs) documents explain things like what a health insurance plan covers, what it doesn't cover, and what your share of costs will be
- SBCs are approximately 9 pages and include 2 – 3 sample medical events (such as: having a baby; managing diabetes; and treating a broken leg)

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage for: Individual + Family | Plan Type: PPO

Common Medical Event	Services You May Need	Your Cost If You Use an In-network Provider	Your Cost If You Use an Out-of-network Provider	Limitations & Exceptions
<b>If you need drugs to treat your illness or condition</b>  More information about <b>prescription drug coverage</b> is available at <a href="http://www.modahealth.com">www.modahealth.com</a>	Value drugs	\$0 copay	\$0 copay	Covers up to a 90-day supply retail and mail order drugs. Copay per 30 day supply. Covers up to a 30-day supply specialty drugs. Prior authorization may be required.
	Select tier drugs	\$0 copay	\$0 copay	
	Preferred brand drugs	0% coinsurance	0% coinsurance	
	Non-preferred brand drugs	0% coinsurance	0% coinsurance	
	Specialty drugs	0% coinsurance	0% coinsurance	
<b>If you have outpatient surgery</b>	Facility fee (e.g., ambulatory surgery center)	0% coinsurance	0% coinsurance	Prior authorization required to avoid a penalty of 50% up to a maximum deduction of \$2,500.
	Physician/surgeon fees	0% coinsurance	0% coinsurance	
	Emergency room services	0% coinsurance	0% coinsurance	

<http://www.bcbsmt.com/PDF/sbc/30751MT0570008-01.pdf>



# Some SBCs Have Significant Errors

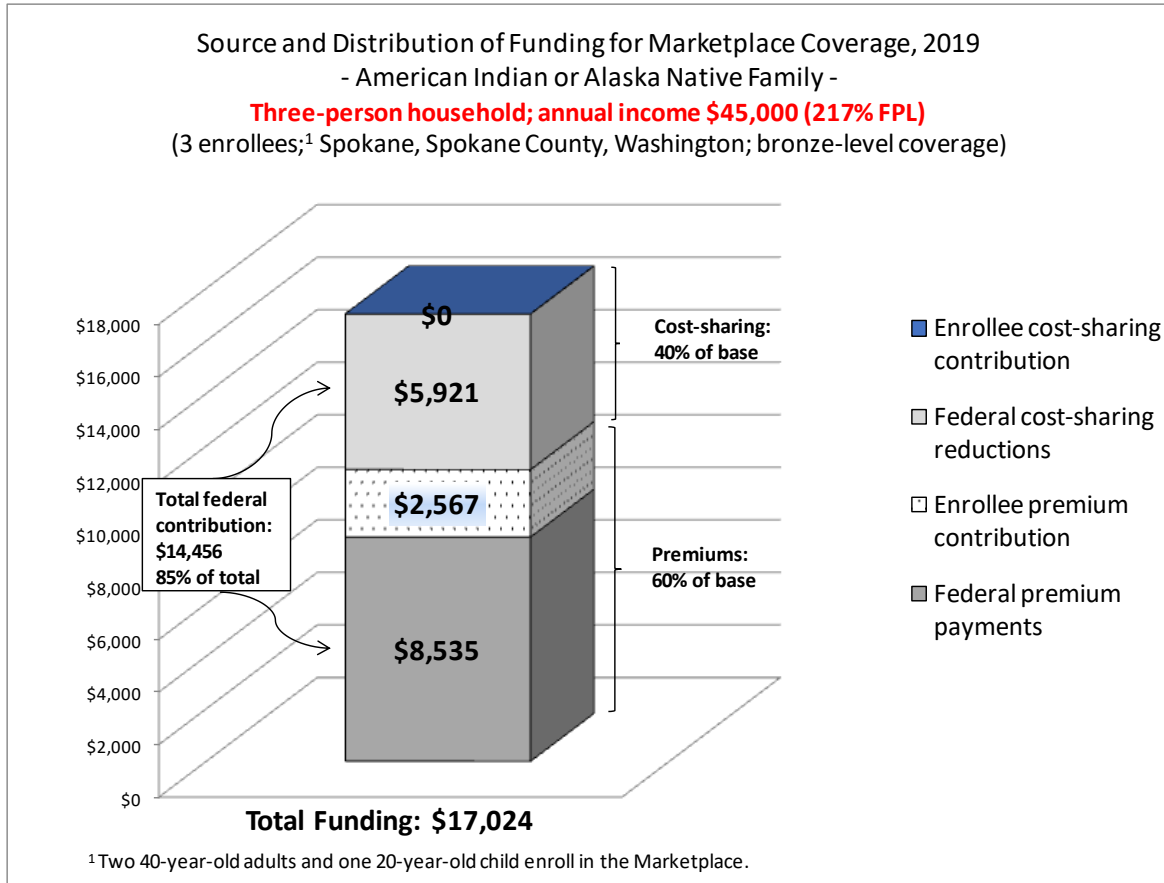
- Below is an example of a “limited cost-sharing variation” SBC with errors in explaining cost-sharing protections for enrolled Tribal members
- The following phrase is a direct way to explain the “limited cost-sharing variation” protections: **“No cost-sharing at IHCPs, and no cost-sharing at non-IHCP with referral from IHCP.”**
  - IHCP = Indian health care provider

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Indian Health Care Provider (IHCP) (You will pay the least)	Non-IHCP Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	No Charge	Not Covered	None
	Specialist visit	No Charge	Not Covered	Referral required.
	Preventive care/screening/immunization	No Charge	Not Covered	You may have to pay for services that aren't preventive. Ask your provider if the services needed are preventive. Then check what your plan will pay for.
If you have a test	Diagnostic test (x-ray, blood work)	No Charge	Not Covered	Referral required.
	Imaging (CT/PET scans, MRIs)	No Charge	Not Covered	
If you need drugs to treat your illness or condition	Preferred generic drugs	No Charge	Not Covered	Limited to a 30-day supply at retail (or a 90-day supply at a network of select retail pharmacies). Up to a 90-day supply at mail order. Specialty drugs limited to a 30-day supply. Payment of the difference between the cost of a brand name drug and a generic
	Non-preferred generic drugs	No Charge	Not Covered	
	Preferred brand drugs	No Charge	Not Covered	
More information about prescription drug coverage is available at	Non-preferred brand drugs	No Charge	Not Covered	
	Preferred specialty drugs	No Charge	Not Covered	
	Non-Preferred specialty drugs	No Charge	Not Covered	



# New Resources Made Available Through Marketplace

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

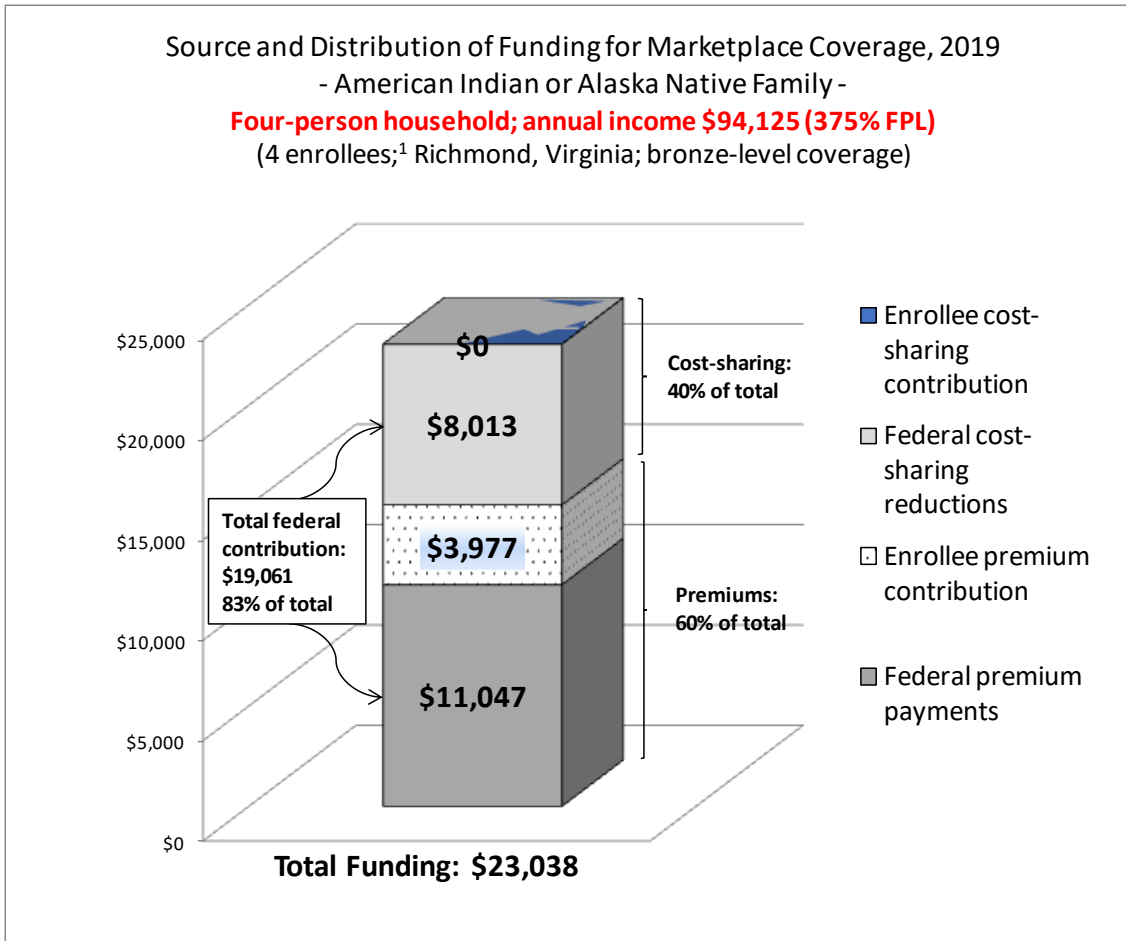


- Example of 2 full-time workers each earning \$11 per hour
- AI/ANs are encouraged to enroll in bronze-level plans
  - Premiums are lowest
  - Federal contribution for CSRs is greatest
- Families with AI/AN and non-AI/AN members enroll in separate plans to maximize cost-sharing protections



# New Resources Made Available Through the ACA

(Example of 4 enrollees in 4-person household; \$94,125 in household income)



In this example of four enrollees in a four-person household with household income at 375% FPL:

- Federal government covers 83% of the total funding for Marketplace coverage (\$19,061)
  - \$11,047 in premium tax credits
  - \$8,013 in cost-sharing reductions (no cost-sharing for AI/ANs)
- Enrollee / sponsor contributes \$3,977

<sup>1</sup> Two 40-year-old adults and two 15-year-old children enroll in the Marketplace.



# Net Premium Costs of Marketplace Coverage: VA

Net Annual Household Marketplace Premium Contribution for Lowest-Cost Bronze Plan: Example of Charles City, VA, and Surrounding Region (2019)						
Household (HH) size:		1-person HH	2-person HH	2-person HH	3-person HH	4-person HH
Number enrolled:		1 enrollee	2 enrollees	1 enrollee	3 enrollees	4 enrollees
FPL		Total Net Household Annual Premiums, with Premium Tax Credits				
Medicaid	0%-138%	\$0	\$0	\$0	\$0	\$0
Premium tax credit (PTC) eligible	139%	\$0	\$0	\$0	\$0	\$0
	150%	\$0	\$0	\$0	\$0	\$0
	175%	\$0	\$0	\$229	\$0	\$0
	200%	\$277	\$0	\$842	\$96	\$596
	225%	\$724	\$137	\$1,448	\$7	\$0
	250%	\$1,226	\$818	\$2,129	\$867	\$811
	300%	\$2,280	\$2,247	\$3,558	\$2,670	\$2,946
	350%	\$2,879	\$3,059	\$4,369	\$3,695	\$4,159
	400%	\$3,477	\$3,870	\$5,181	\$4,719	\$5,371
No PTCs	Over 400% or other non-PTC eligible	\$4,674	\$9,349	\$4,674	\$12,396	\$15,443

<sup>1</sup> Cigna Connect 7000 (Cigna) is the lowest-cost bronze plan. Premiums in 1- and 2-person HH are for 40-year-old enrollees. Premiums in 3-person HH are for two 40-year-old enrollees and one 15-year-old enrollee. Premiums in 4-person HH are for two 40-year-old enrollees and two 15-year-old enrollees.



# Benefits of Marketplace Enrollment / Tribal Sponsorship

## -- advancing sovereignty --

### Overall:

- Greater resources are available for health care services for Tribal members / IHS beneficiaries, as new federal resources are accessed

### Three primary benefits:

- Increased third party revenues to IHS and Tribal health facilities, as I/T providers are paid for services to previously uninsured individuals
- Savings to PRC program, as previously PRC-funded health services for uninsured IHS beneficiaries are paid for by health plan
- Expanded access to health care services for IHS beneficiaries
  - Enrollees access health care services without constraints of PRC “priority” restrictions

### Additional benefits:

- Tribal members experience reduced costs
  - Enrollees not required to pay for non-PRC funded services at non-I/T providers
- Liability for health care costs shifted from IHS / Tribe to health plan
- Create “mini-entitlements” for services

