



# *Alphabet Soup*

**Making Sense of  
Medicaid  
Family Planning  
and the  
Affordable Care Act**

*January 2015*



**You have a  
penalty flag –  
use it!**

# Medicaid



# Medicaid as a Payer

- Medicaid is payer of last resort
- Fee-for-service (FFS) v. managed care
- Good-cause exception to third-party liability when “it is anticipated that cooperation will result in reprisal against, and cause physical or emotional harm to, the individual or other person.”
- States have the option to provide immediate temporary Medicaid coverage to applicants who seem eligible (aka “presumptive eligibility”)

# Medicaid Before Health Reform

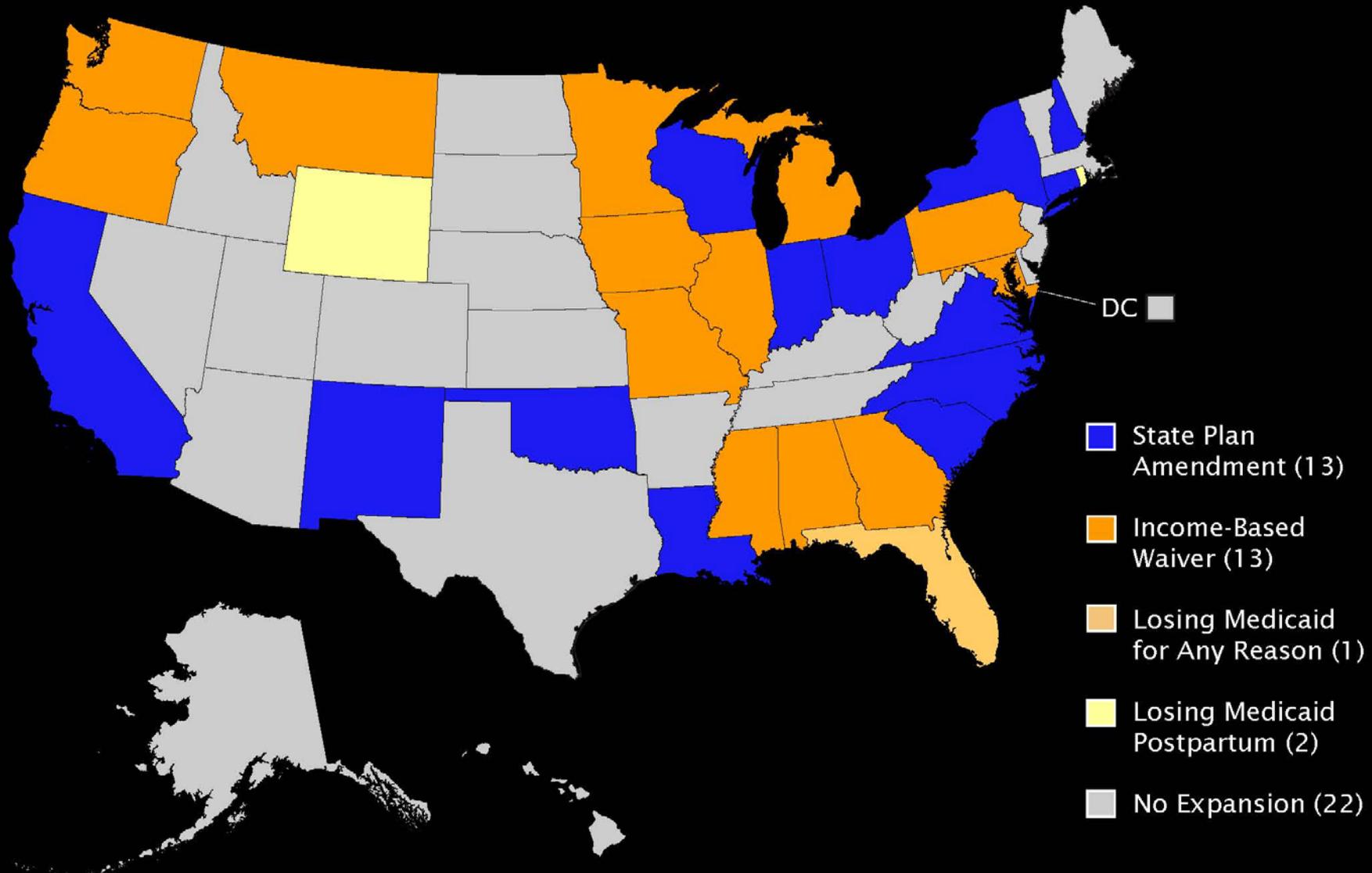
- **Eligibility: Broke +**
- **Federal Medical Assistance Percentage (FMAP)**
  - = Federal government share of Medicaid costs:
  - Varies by state; can vary by service or population
  - National average FMAP = 57%
- **Family planning:**
  - Required service since 1972
  - Enhanced match: 90/10

# Medicaid and Family Planning

- **Broad range of services: contraceptive methods, pap tests, other associated exams and lab tests**
- **Exempt from cost-sharing**
- **Can receive family planning services from provider of choice (aka “freedom of choice”)**

# Medicaid Family Planning Expansions

*as of December 2014*



# Family Planning Expansions

Issue	Waivers	State Plan Amendments (SPAs)
Budget Neutrality	Required	Not required
Research and Evaluation	Required	Not required
Application	Drafted by state	2.5 page template
Timeline for Approval	No (average 15+ months)	Yes (federally mandated)
Renewal	Generally every 3 years; many were set to end December 31, 2014	None; no end date
Eligibility	At state's discretion; can set limits based on age and gender; may not be strictly income-based	Up to state's pregnancy eligibility level; Based only on income and pregnancy status

# The Affordable Care Act (ACA)



# ACA Insurance Eligibility

> 400% =  
Exchanges

138%\*-400%  
= Exchanges  
with  
subsidies

Up to 138% =  
Medicaid

# Exchanges

## State-based exchange

- State responsible for all exchange functions
- State can use federal government for certain functions, such as premium tax credit determinations and reinsurance program

## State partnership exchange

- State can be responsible for certain functions
- Model moves to state-based exchange over time

## Federally facilitated exchange

- Core functions managed by federal government
- Interact with state agencies as necessary
- Model may or may not be able to move to state-based exchange



# Insurance Market Reforms

## Insurance Reforms

## Coverage of Preventive Services

No Gender Rating

No lifetime or annual insurance limits

No Denial of Coverage for Pre-Existing Conditions

Women's Preventive Benefit: Birth Control at no cost

# Qualified Health Plans



## Essential Health Benefits

- 10 items and services
- Individual & small group markets

## Preventive Health Benefits

- USPSTF
- Women's Preventive Health

## Cost-sharing limitations

Medical management  
allowed

# Medicaid Benefits

- **New adult population gets ABPs**
  - “Benchmark” plans = alternative benefit plans (ABPs)
  - ABPs must cover EHB
- “Traditional” Medicaid population
  - Not required to get EHB, unless in ABP

# MEC and the Penalty

- Starting January 1, 2014, most individuals must have “minimum essential health coverage” (MEC) or face a financial (tax) penalty
- QHPs, Medicaid are MEC

**Penalty = whichever amount is greater (capped at average cost of Bronze plan)**

2014	\$95/adult and \$47.50/child (up to \$285/family) or 1% of family income
2015	\$325/adult and \$162.5/child (up to \$975/family) or 2% of family income
2016 and beyond	\$695/adult and \$347.50/child (up to \$2,085/family) or 2.5% of family income

# ACA Insurance Eligibility

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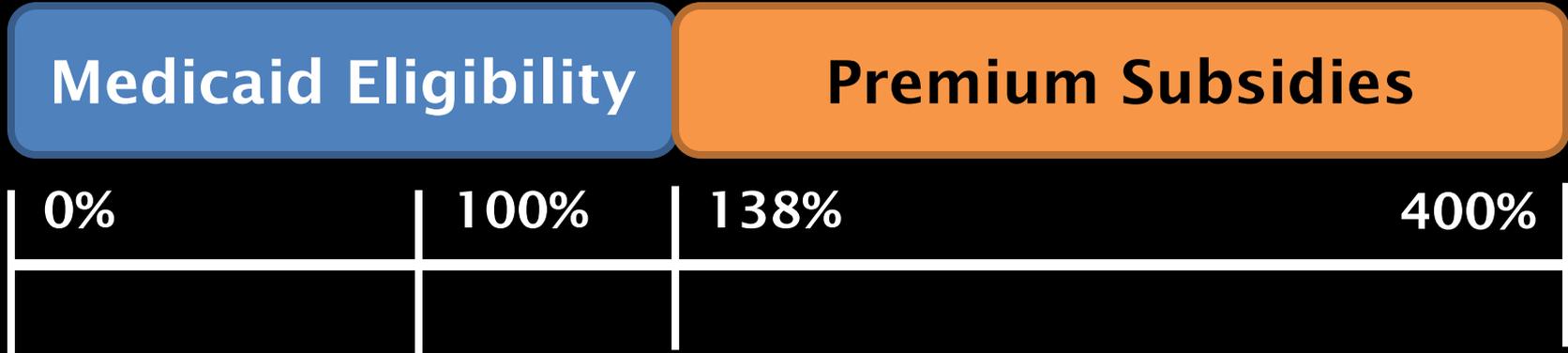
# ACA Insurance Eligibility

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100%\*-400%  
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# Medicaid Expansion States



Medicaid Non-Expansion States

*The Medicaid Gap*

# Different Paths to Medicaid Expansion

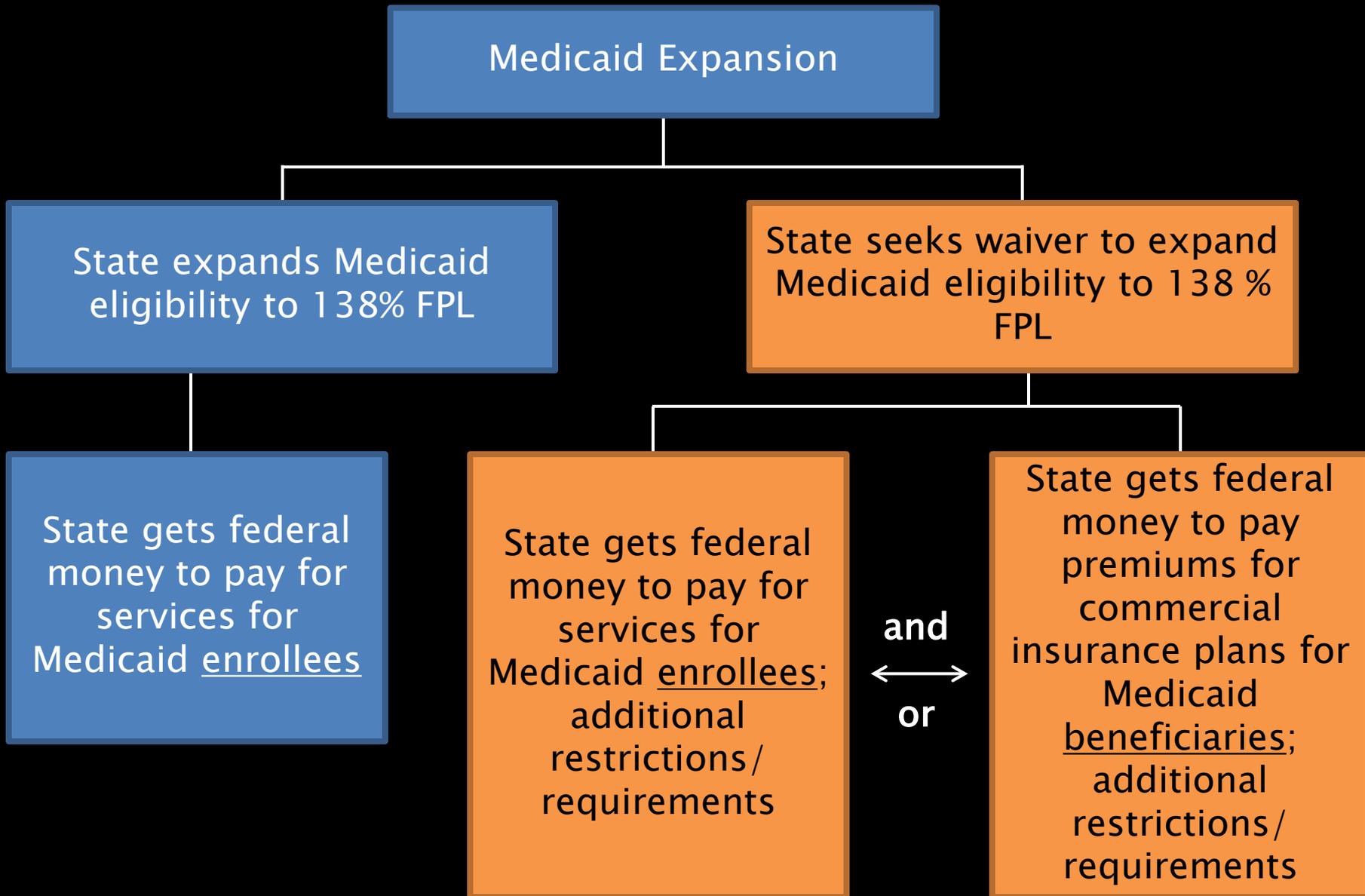
Medicaid Expansion

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graph TD; A[Medicaid Expansion] --> B[State expands Medicaid eligibility to 138% FPL]; B --> C[State gets federal money to pay for services for Medicaid enrollees];
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State expands Medicaid eligibility to 138% FPL

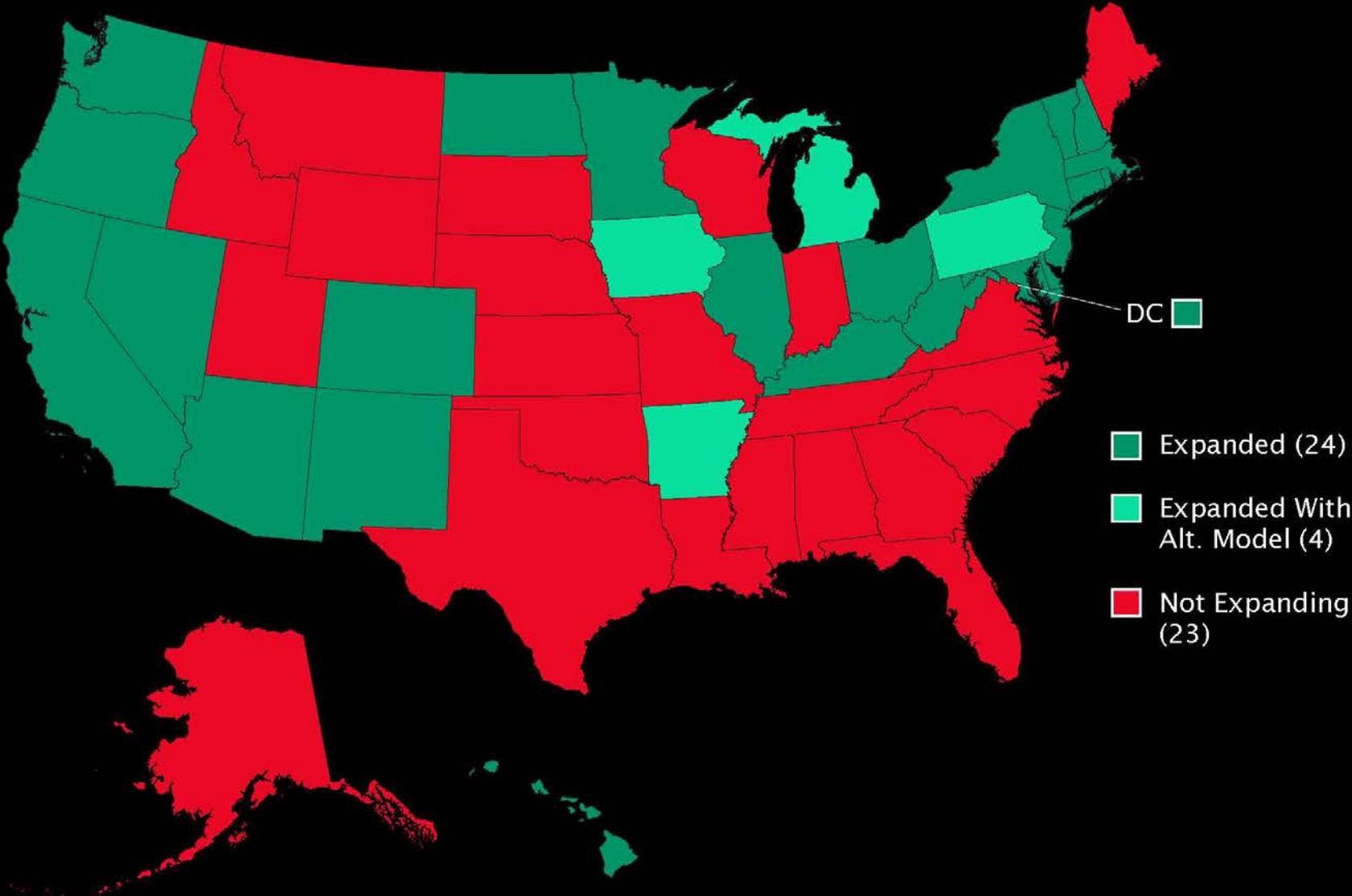
State gets federal money to pay for services for Medicaid enrollees

# Different Paths to Medicaid Expansion



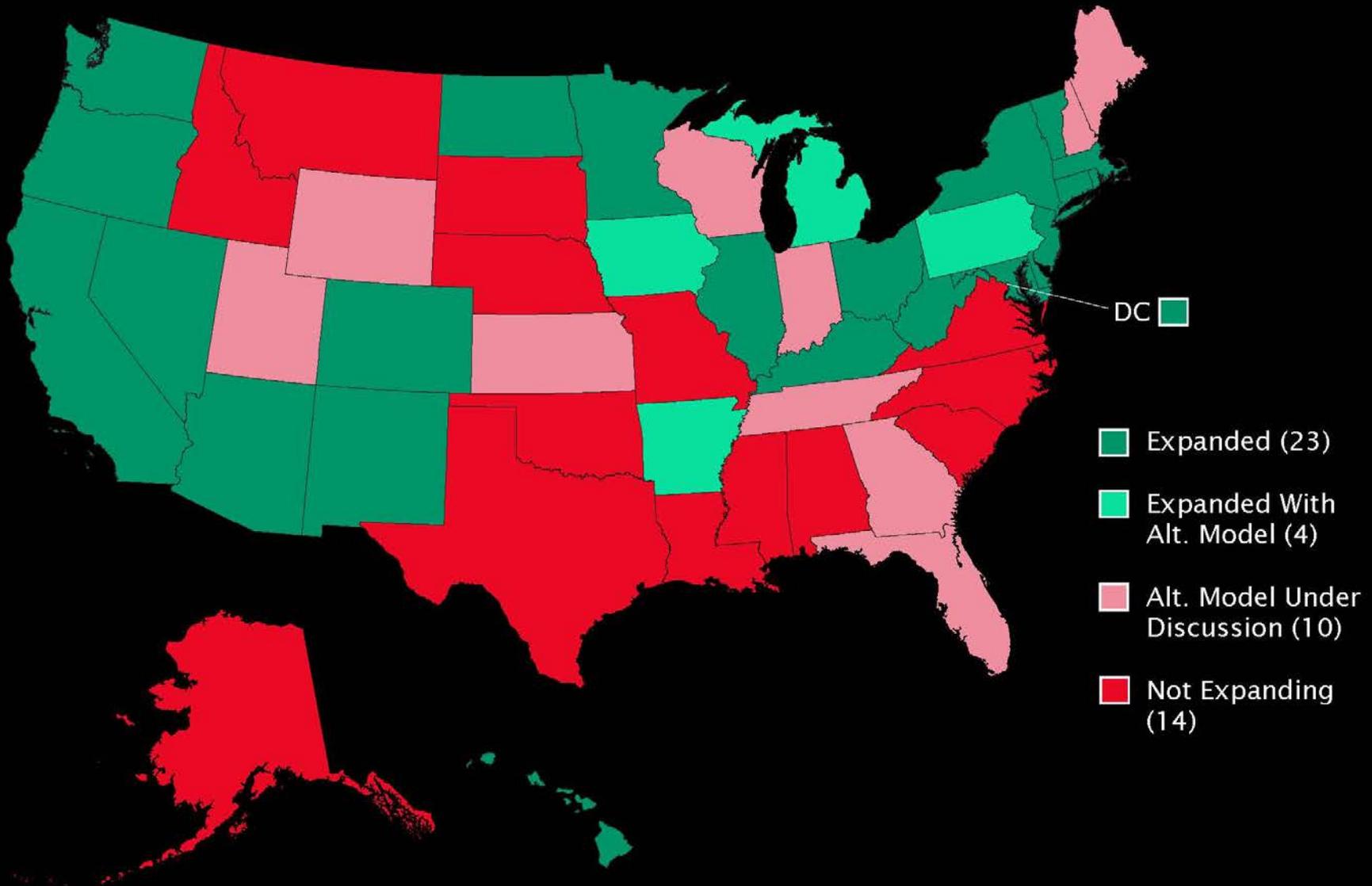
# Status of State Medicaid Expansion

*as of October 2, 2014*



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*as of October 2, 2014*





**Questions?**

