



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

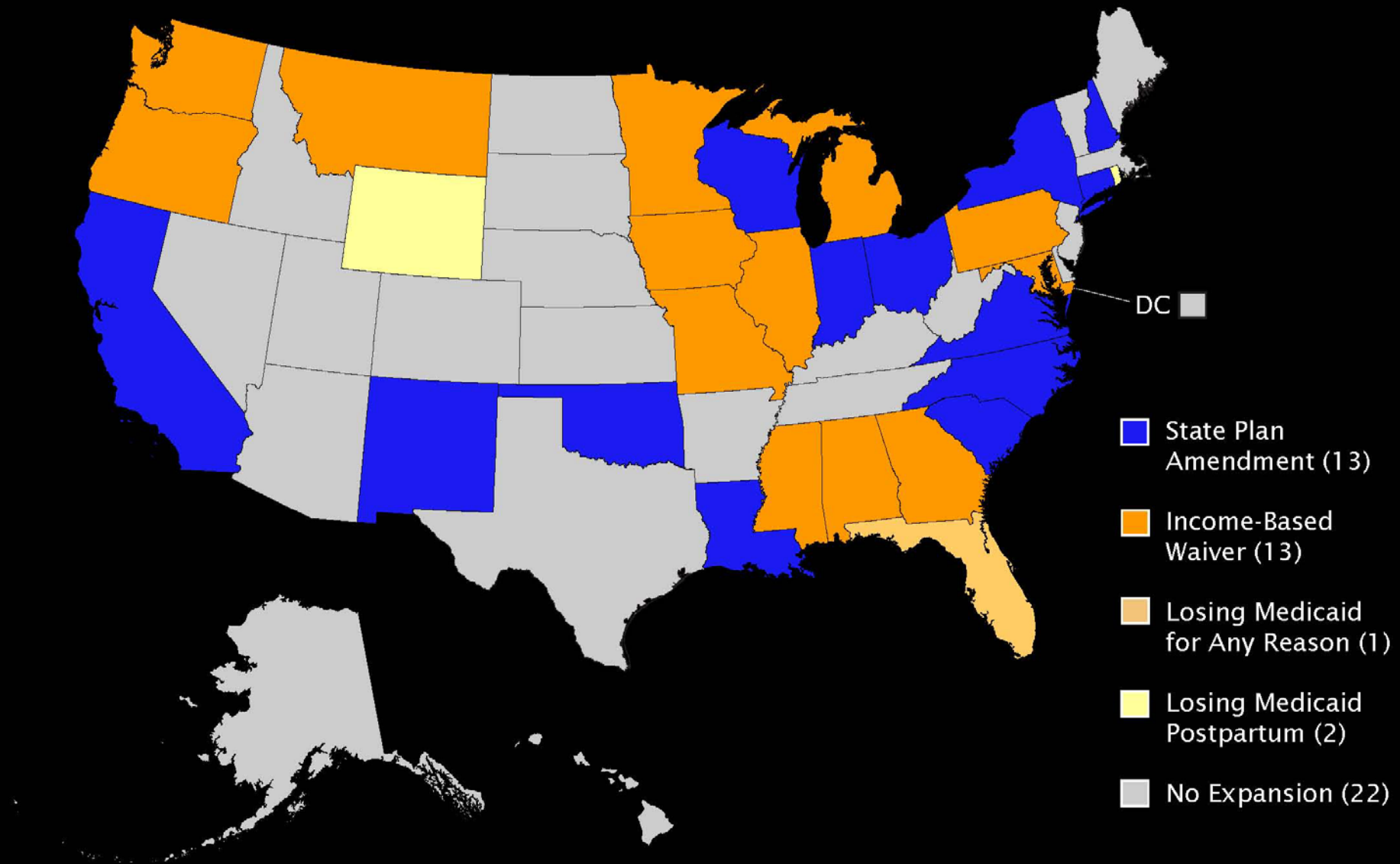
- **Eligibility: Broke +**
- **Federal Medical Assistance Percentage (FMAP)**
 - = Federal government share of Medicaid costs:
 - Varies by state; can vary by service or population
 - National average FMAP = 57%
- **Family planning:**
 - Required service since 1972
 - Enhanced match: 90/10

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



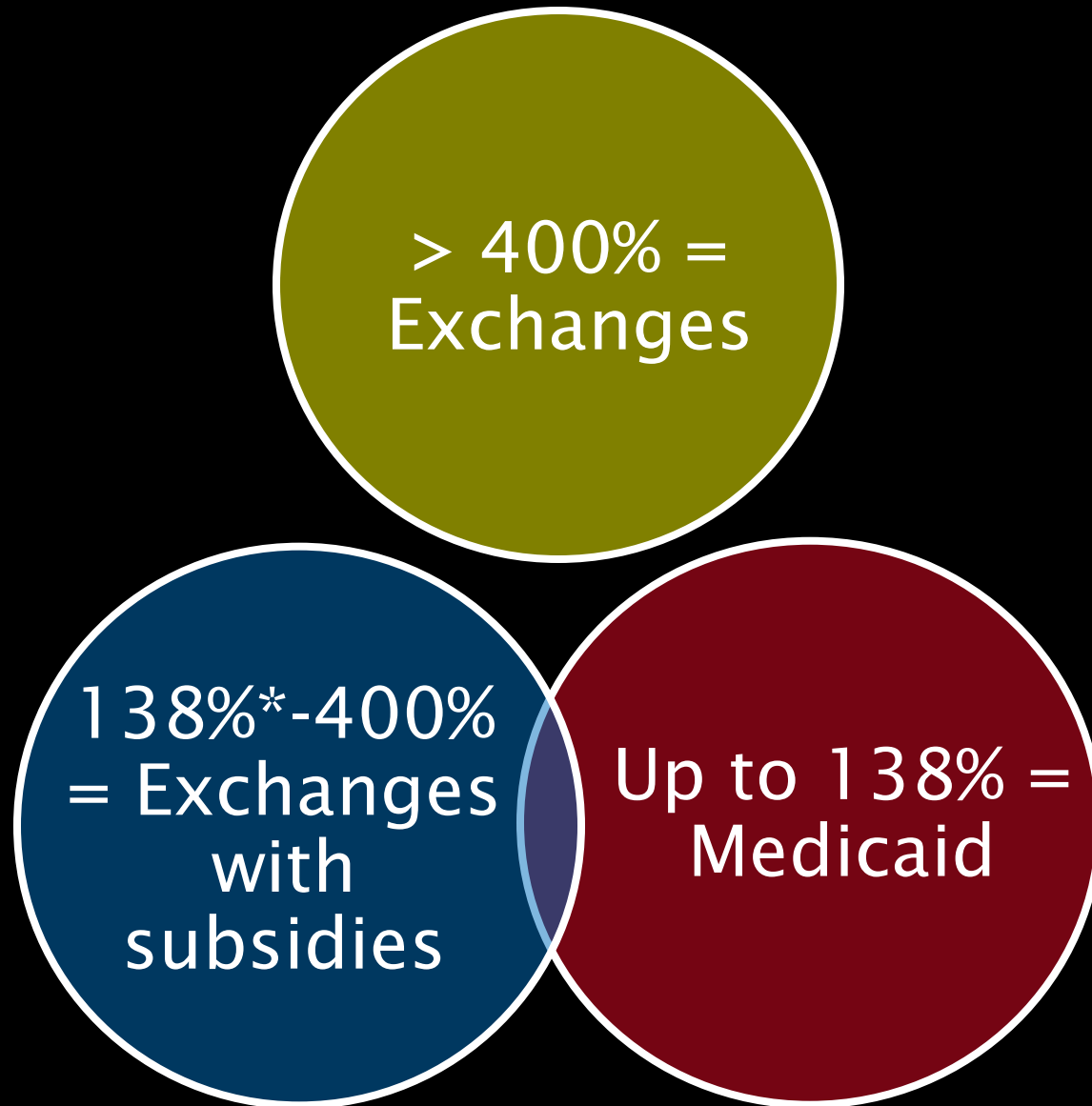
Family Planning Expansions

| 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



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

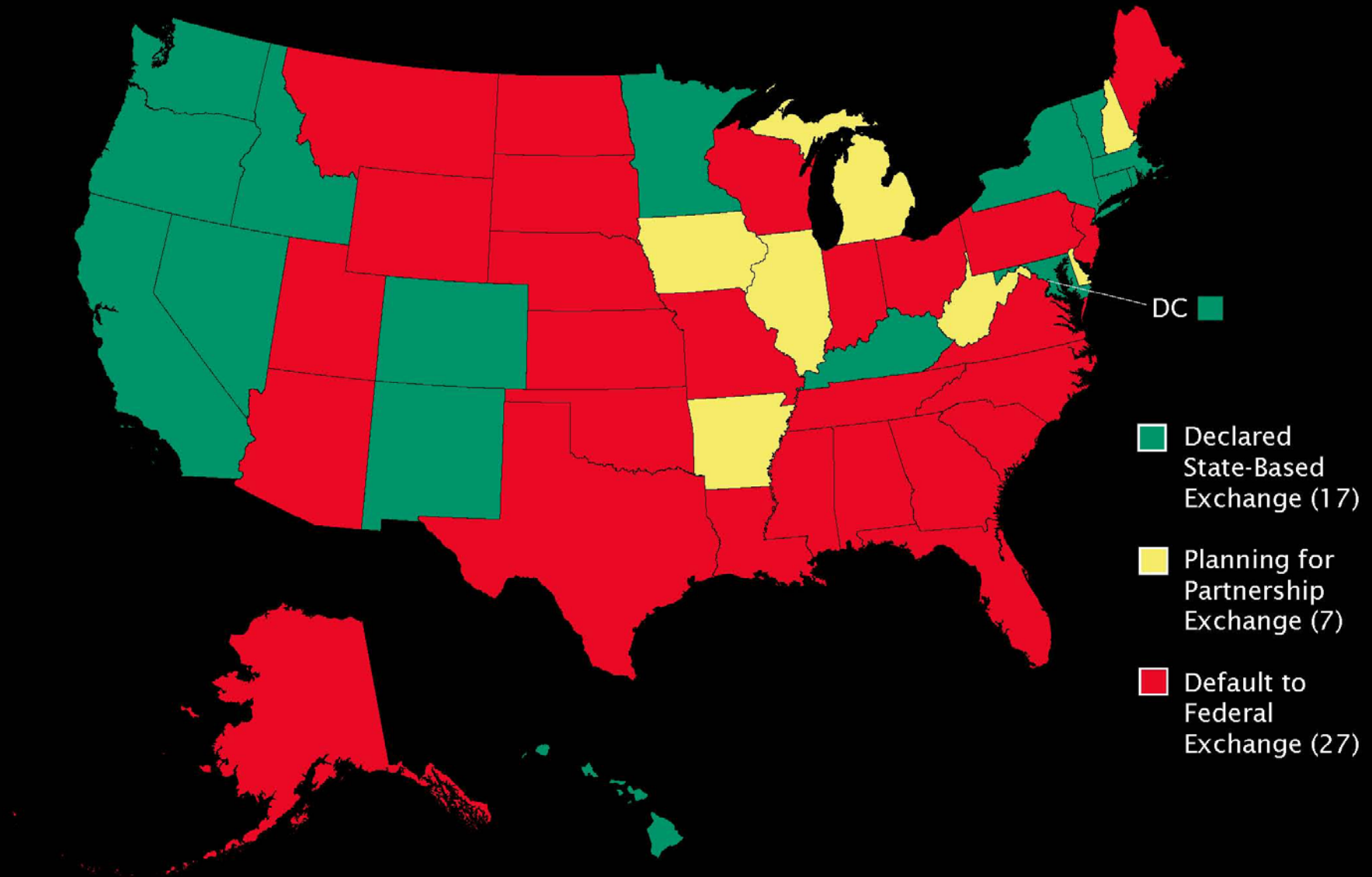
- State can be responsible for certain functions
- Model moves to state-based exchange over time

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

State Action on Health Insurance Exchanges

as of September 12, 2013



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

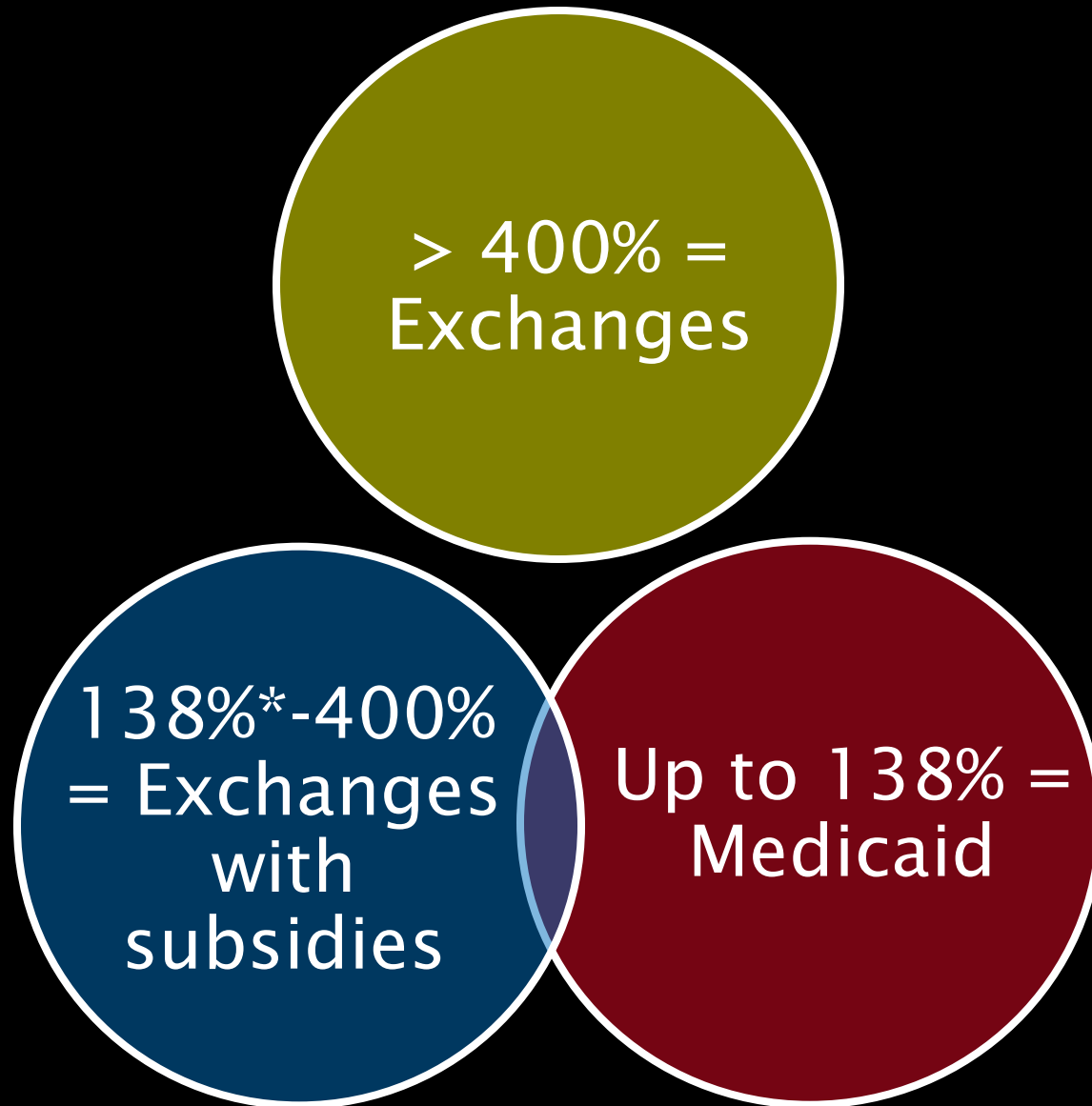
MEC and the Penalty

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

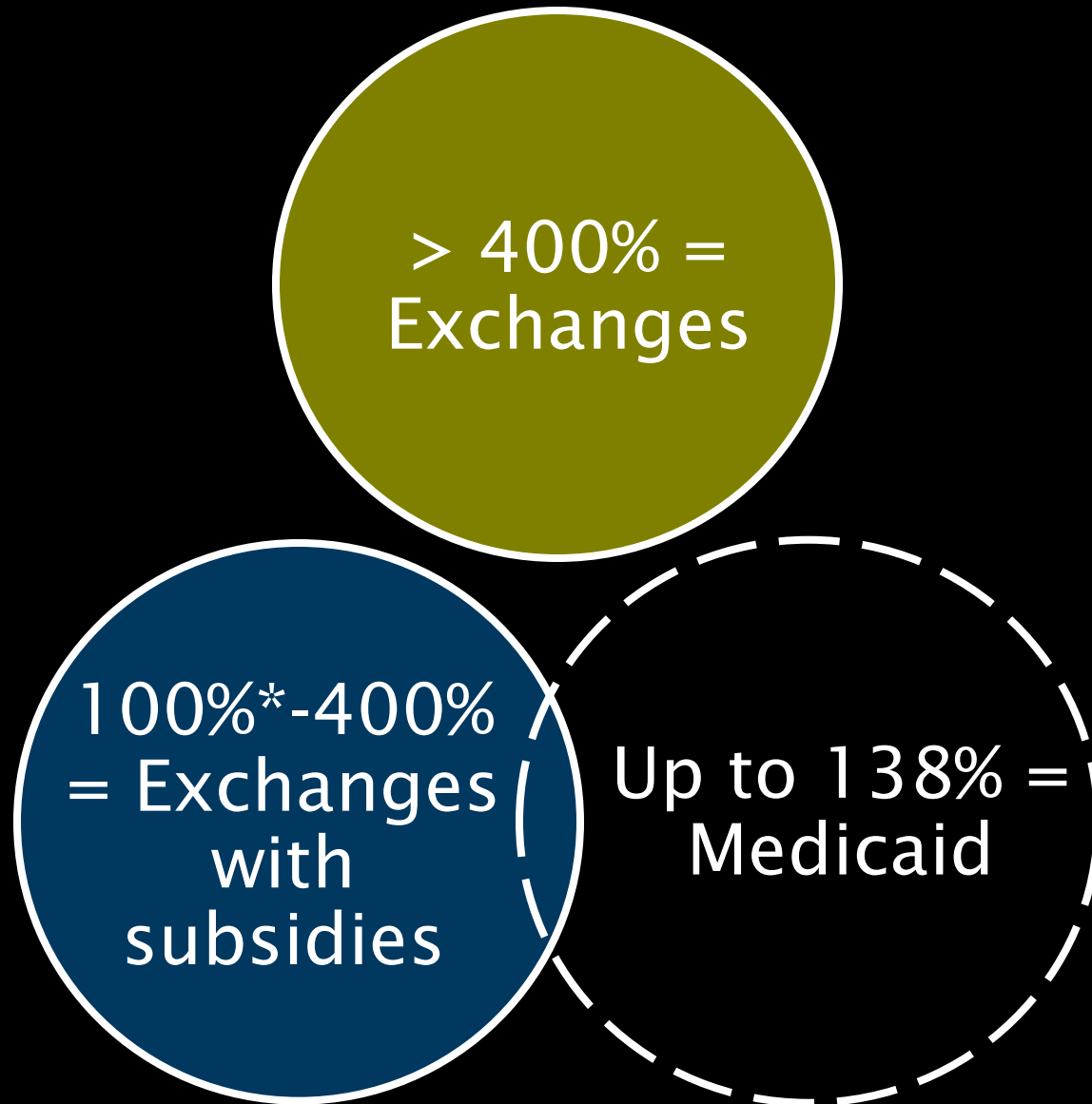
Penalty = whichever amount is greater (capped at average cost of Bronze plan)

| | |
|-----------------|--|
| 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 |

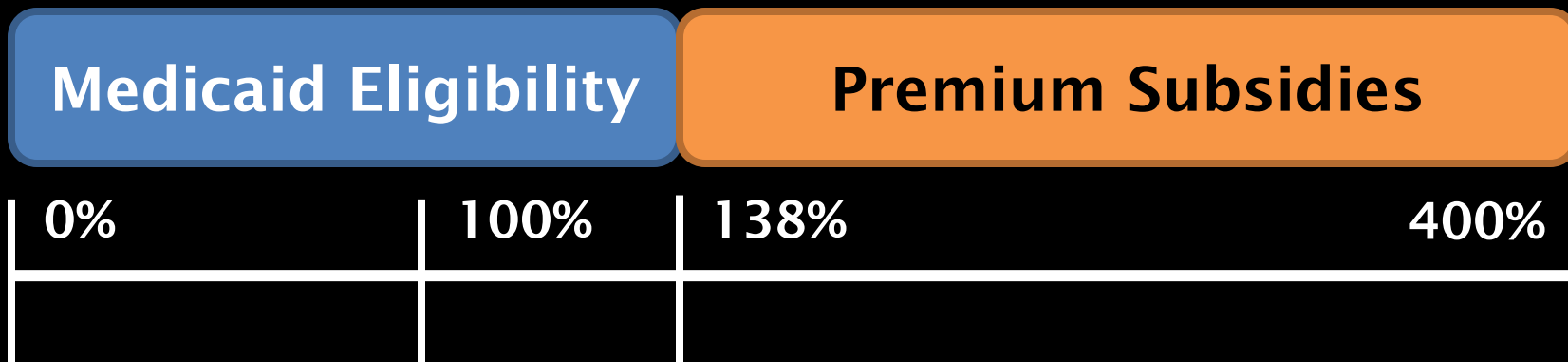
ACA Insurance Eligibility



ACA Insurance Eligibility



Medicaid Expansion States



Medicaid Non-Expansion States

The Medicaid Gap

Different Paths to Medicaid Expansion

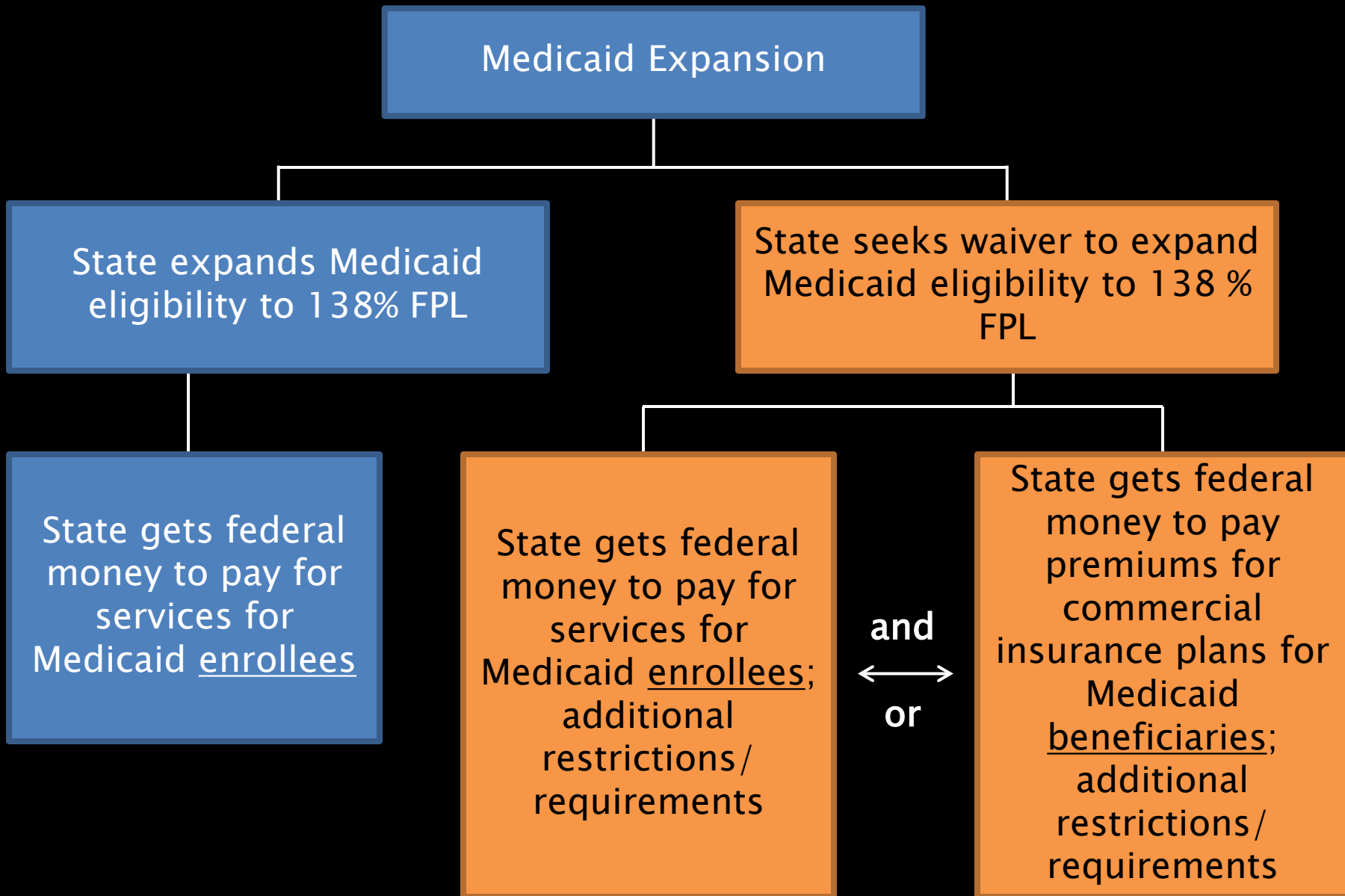
Medicaid Expansion

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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

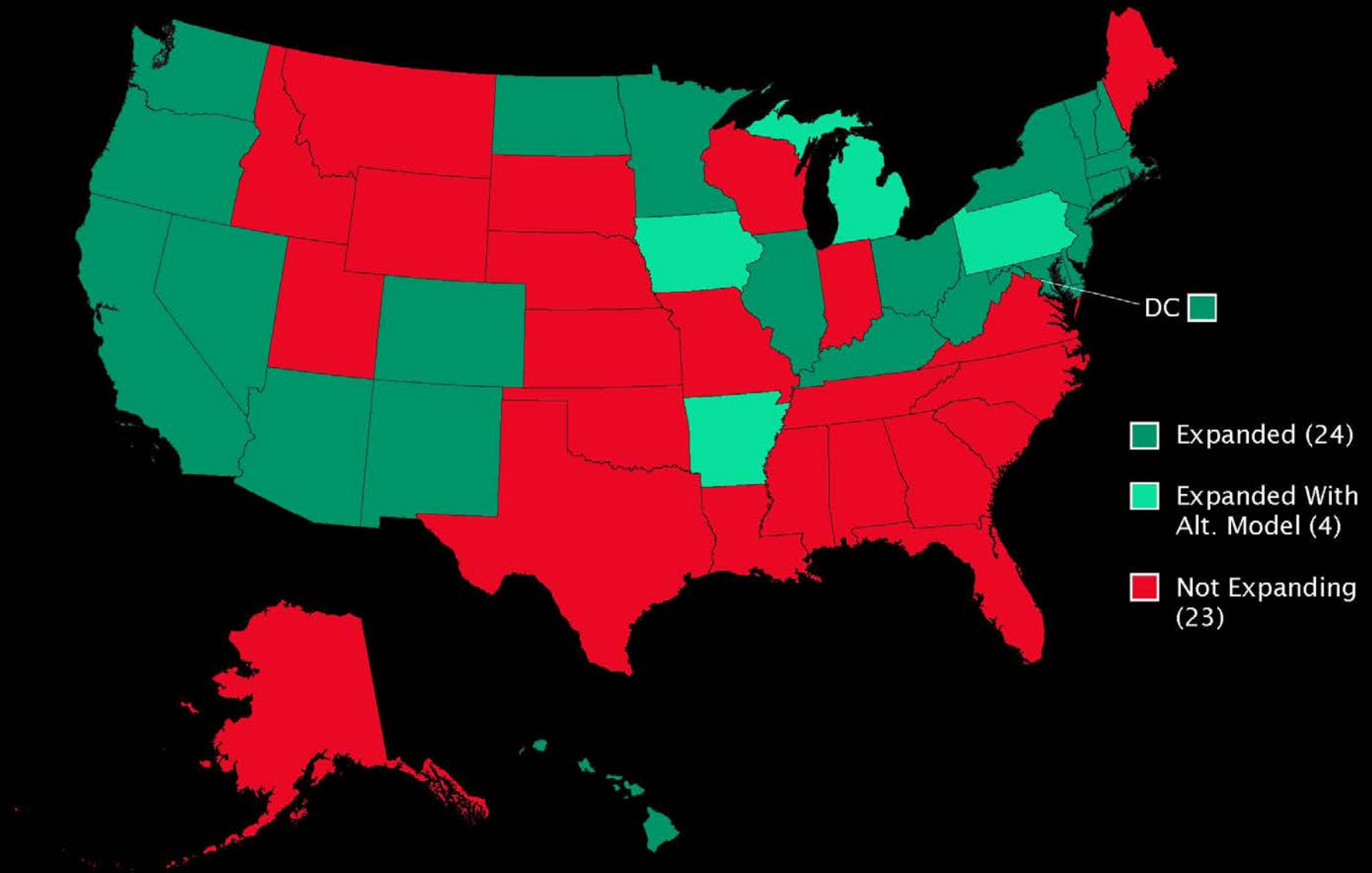
State gets federal money to pay for services for Medicaid enrollees

Different Paths to Medicaid Expansion



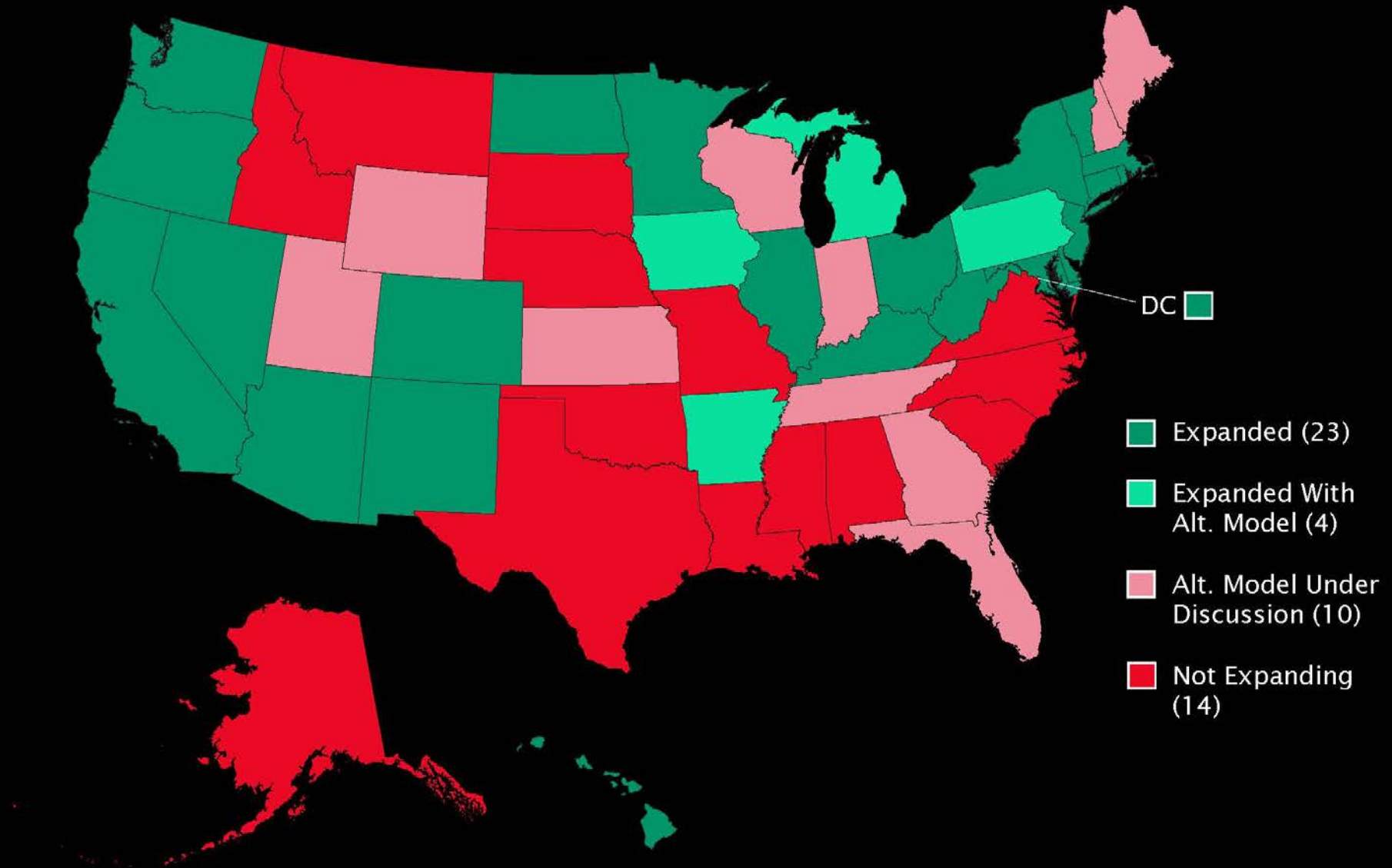
Status of State Medicaid Expansion

as of October 2, 2014



Status of State Medicaid Expansion

as of October 2, 2014





Questions?

