

**ODJFS Office of Ohio Health Plans
Affordable Care Acts Talking Points
For BEACON Council Meeting, May 13, 2010**

The following talking points focus on key **Medicaid provisions** of the Patient Protection and Affordable Care Act and the amendments to it made by the Health Care and Education Affordability Reconciliation Act of 2010. Hereafter, referred to as the Affordable Care Acts or ACA.

Significant program provisions:

- **Maintenance of Effort (MOE)**. States may not adopt more restrictive eligibility standards, methodologies, or procedures than those in place as of March 23, 2010 or risk forfeiting all federal Medicaid match. The Medicaid MOE expires once a State's health exchange becomes operational (presumably, January 1, 2014). The MOE specific to CHIP children stays until September 30, 2019.
- States must determine eligibility using **Modified Adjusted Gross Income** and household income to determine income eligibility for Medicaid with a few exceptions. For the most part, when determining eligibility of families and of non-disabled individuals under age 65, States are prohibited from using any income or expense disregards except for a required disregard of 5% of the maximum income limit for a person or family, and also prohibited from applying any asset tests.

Medicaid expansions

There are numerous optional and mandatory Medicaid expansion provisions. Most notable:

- Mandatory coverage of **Childless Adults up to 133% FPL** (newly eligibles). Beginning January 1, 2014, all non-pregnant, under age 65, adults up to 133% of the federal poverty level (FPL), not otherwise covered by Medicare or within any other mandatory Medicaid coverage category. Note, pregnant women are currently covered to 200% in Ohio.
 - Federal reimbursement for this expansion is: 100% through CY 2016, then decreasing to 90% by 2020. States that opt to expand coverage prior to 2014 will receive their normal FMAP through 2013.
 - The service package for this covered group is the Benchmark or benchmark-equivalent Benefits Package.
 - JFS' initial estimate is approximately **554,000 Ohioans** will enroll in Medicaid as a result of health care reform in 2014. Of those, about 275,000 will be newly eligible consumers. The remainder will enroll because of what is known as the "welcome mat effect." This occurs with any Medicaid program expansion, because outreach efforts reach not only the target population, but also other potentially eligible people. As a result, others who may have been eligible but thought they were not hear about the program and decide to apply.

- Mandatory Coverage for **Children ages 6-19 to 133% FPL**. Effective January 1, 2014. Children in this age group between 100%-133% would continue to be considered eligible for the Title XIX match rate. Ohio currently covers all kids to 150% and uninsured kids to 200%.
- **Medicaid Coverage for Former Foster Care Children**. Effective January 1, 2014, individuals under age 26, who are not eligible for Medicaid through another mandatory eligibility group, and who were in foster care and enrolled in Medicaid on the day they turned 18. Ohio currently covers foster care children through age 20.

Children's Health Insurance Program

- Funding for **CHIP is extended through September 30, 2014**. While the Acts contemplate that CHIP will continue until September 30, 2019, the program will have to be re-authorized if funding continues to be available.
- For the four years beginning October 1, 2015, and assuming that CHIP is reauthorized, the **enhanced FMAP for targeted low-income children is increased by an additional 23%**, up to a maximum of 100%.

Provider Rates

- **Payments to primary care physicians**. Requires that Medicaid payments rates to primary care physicians for furnishing primary care services be no less than 100% of Medicare payments rates in 2013 and 2014.

Sample of Other Medicaid related Provisions

- Coverage of **Family Planning Services**. This new option allows States to provide family planning services (services that prevent or delay pregnancy) to certain people who couldn't otherwise access Medicaid services. The benefit package for this new group of Medicaid eligibles is limited to family planning services. This State eligibility option eliminates the need for a family planning waiver. Ohio Medicaid expects that CMS will provide instructions on this process in the near future. The provision became effective upon enactment.
- New options for States for providing **Long-Term Services and Supports**. Examples: Community First Choice and Money Follows the Person grant extension.
- Health Care **Workforce Development** to develop the capacity necessary to meet the needs of Ohioans as Medicaid and health insurance coverage expands under federal health care reform.

Coordination and Communication

The Governor's Office, led by Amy McGee, has established an inter-agency group to coordinate implementation efforts related to the Acts. The group includes representatives from the departments of: Administrative Services, Aging, Alcohol and Drug Addiction Services, Developmental Disabilities, Health, Insurance, Job and Family Services, and Mental Health.

At this moment, Ohio, along with every other state, has lots of questions about the Acts and its impact on the Medicaid program. States are awaiting formal guidance from HHS/CMS. To date, two State Medicaid Director letters have been issued: 1) Eligibility for the Newly Eligibles to 133%; and 2) Pharmacy Drug Rebate.

As we plan, we are considering:

- Implementation Timeframes
- Mandatory v Provisional
- Costs and matching rates
- Partnerships
- Infrastructure

On April 30, 2010, the Governor's office established its Health Care Reform website (www.healthcarereform.ohio.gov) to keep interested parties informed of related events, opportunities for input, and status of implementation of the Acts.