

THE AFFORDABLE CARE ACT (ACA) AND WASHINGTON'S HEALTH BENEFIT EXCHANGE

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COVERAGE IS HERE!

- 24 days remain before open enrollment begins October 1, 2013.
- Health insurance coverage begins January 1, 2014

BASICS OF THE ACA

- Children can't be denied health coverage if they're sick
- No out-of-pocket costs for preventative services
- No cap on lifetime benefits
- Young adults can stay on their parent's plan up to age 26
- Senior's prescription drug "donut hole" closing
- No out-of-pocket costs for seniors' preventative Medicare services
- Expanded coverage for early retirees

BASICS OF THE ACA

- No one can be denied health coverage if they're sick in 2014
- All individual and small employer health plans will cover essential health benefits
- Most people must have health insurance by 2014 or pay an annual fine of \$95 per adult and \$47.50 per child up to \$285 for a family or up to 1% of your income, whichever is greater. The penalty increases to \$325 or 2% in 2015 and \$695 or 2.5% in 2016.
- You can buy a health plan through Washington's Healthplanfinder

BASICS OF THE ACA

- Subsidized insurance for individuals and families who are 139-400% FPL
- Insurance Marketplace for small and large employers

EMPLOYERS

- Small businesses (1 to 50 employees) are NOT required to offer insurance, but if they do they can get a tax rebate:
 - Up to 35% today
 - Up to 50% in 2014
- Large employers (more than 50 employees) will pay a penalty starting in 2015, if they don't offer meaningful and affordable health insurance to their employees.
 - Unaffordable=more than 9.5% of HH income or if it pays for less than 60% of covered health care expenses.

MEDICAID TRANSITIONS

How will current Medicaid Recipients
be transitioned to Washington Apple
Health?

ELIGIBILITY

– MAGI Methodology (HCA)

- The MAGI methodology will apply to applications and renewals for pregnant women, families and the “newly eligible” adult group. These applications and renewals will be processed through the Exchange using an automated data-match process through the Health Care Authority.

– Classic Medicaid (DSHS)

- Classic Medicaid eligibility will still apply to Aged, Blind and Disabled (ABD) individuals, foster care children and SSI recipients and eligibility will continue as it is today through DSHS.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

- TANF recipients are **not** going to automatically convert to Washington Apple Health.
 - Families receiving TANF are going to have to complete a renewal for medical through the Washington Healthplanfinder not through DSHS.
 - Families receiving TANF will get a series of notices from the Health Care Authority telling them that it is time to renew their health care coverage and directing them to Washington Healthplanfinder.
 - Eligibility for TANF cash benefits will still be processed through DSHS.
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BASIC HEALTH

- Basic Health coverage ends on January 1, 2014.
- Basic Health recipients will **not** automatically convert to Washington Apple Health.
- Basic Health recipients will receive a notice from Health Authority and it will explain how to get health care through Washington Apple Health.

MCS AND ADATSA

- MCS and ADATSA recipients who meet the citizenship requirements will automatically convert to Washington Apple Health.
- MCS and ADATSA recipients who do not meet the citizenship requirements for Washington Apple Health (Medicaid) will remain on the State-funded program.
- MCS recipients who are receiving Housing and Essential Needs (HEN) benefits must continue to do Incapacity/Disability reviews with DSHS to retain HEN benefits.

AGED, BLIND, AND DISABLED (ABD)

- ABD recipients will automatically convert to Washington Apple Health.
- ABD recipients currently receive Categorically Needy Medicaid and will be automatically converted to Washington Apple Health.
- Future letters regarding medical coverage will come from Washington Healthplanfinder.
- ABD recipients must continue to do Incapacity/Disability reviews with DSHS to retain ABD cash benefits.

SUPPLEMENTAL SECURITY INCOME (SSI)

- SSI recipients will automatically convert to Washington Apple Health.
- SSI recipients currently receive Categorically Needy Medicaid and will be automatically converted to Washington Apple Health.

NEW ADULT COVERAGE GROUP

- Effective January 1, 2014, Medicaid will be expanded to include adults between the ages of 19 up to 65 with income up to 133% FPL based on Modified Adjusted Gross Income (MAGI).
- Medicaid program will now be called Washington Apple Health



EXPANSION ELIGIBILITY

- Not in an existing Medicaid category
 - Income up to 138% FPL
 - 5% income disregard (138% FPL – 5% = 133%)
 - A one person household at 133% FPL is \$1,274 per month or \$15,290 annually.
 - No asset test
 - Must meet existing immigrant eligibility criteria
 - Cannot be eligible for Medicare
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WASHINGTON HEALTHPLANFINDER

<http://www.wahealthplanfinder.org/>



What is Healthplanfinder?

- Washington Health Benefit Exchange has created Washington Healthplanfinder as the online marketplace for health insurance starting October 1, 2013 (coverage starting January 1, 2014).
- Also referred to as “the Exchange.”
- Washington Healthplanfinder will automatically screen data and determine eligibility for Washington Apple Health (Medicaid), Children’s Health Insurance (CHIP) and tax-credit subsidized coverage.

Washington Healthplanfinder Customer Support Center

1-855-WA-FINDER (1-855-923-4633)

Opened for calls September 1, 2013.



COST ESTIMATE CALCULATOR

- Here are some examples of cost estimates based on household composition and income:

SCENARIO # 1

Single mother, age 35, has one child under the age of 18. She works part-time and her annual income is \$20,000.

SCENARIO # 2

Two parent household, both spouses are 40 years old. There are two children in the household under the age of 18. Both parents work and the household's annual income is \$45,000.

NEW INCOME/HOUSEHOLD STANDARD

MAGI (modified adjusted
gross income)

New Eligibility Standard

- MAGI is a methodology for how income is counted and household composition/size is determined.
 - Income eligibility based on household’s Modified Adjusted Gross Income (MAGI)
 - No asset tests
 - Applies to Medicaid Expansion population, some pre-existing Medicaid groups, and Exchange subsidies
 - Non-MAGI income rules still apply to some “classic” Medicaid categories – includes aged/blind/disabled SSI-related, foster children, breast and cervical cancer, refugee program, MN/spenddown, etc.
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New Income/Household Standard: MAGI

- Rules for counting income and household composition are based on but not identical to tax-filing rules.
- Generally, **MAGI** =
Adjusted gross income plus:
 - tax-exempt foreign income, tax-exempt interest, and Title II Social Security and Railroad Retirement Income.

ESSENTIAL HEALTH BENEFITS

Starting January 1, 2014, all individual and small employer health plans must include the following 10 categories of essential health benefits:

ESSENTIAL HEALTH BENEFITS

1. Ambulatory patient services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and treatment of substance abuse disorders, including behavioral health treatment

ESSENTIAL HEALTH BENEFITS

6. Prescription drugs
 7. Rehabilitative and habilitative services and devices
 8. Laboratory services
 9. Preventive and wellness services and chronic disease management
 10. Pediatric services, including oral and vision
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2014 HEALTH PLANS AND RATES

Two ways to buy an individual health plan:

1. Through the “Exchange” (Washington Healthplanfinder)
1. Buy a plan directly from a health insurance company
 - If you buy a health plan outside of the Exchange, you won’t get help paying your premium

2014 HEALTH PLANS AND RATES

Metal levels

Level	Plan pays	You pay
Bronze	60%	40%
Silver	70%	30%
Gold	80%	20%
Platinum	90%	10%

- Bronze plans have the minimal level of coverage you need to meet the requirement to have health insurance
 - Out-of-pocket costs are limited
 - Help with cost-sharing
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2014 HEALTH PLANS AND RATES

Washington Office of the Insurance
Commissioner

<http://www.insurance.wa.gov/your-insurance/health-insurance/individuals-families/health-plans-rates/index.html>