



# IDAHO

Department of  
Health and Welfare

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## Patient Protection and Affordable Care Act of 2010

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### Health Reform's Impact on Idaho Medicaid



IDAHO DEPARTMENT OF  
HEALTH & WELFARE

# Federal Health Reform: Two New Laws

## **1) Patient Protection and Affordable Care Act of 2010 (PPACA)**

- Based on Senate health reform legislation
- Passed March 23, 2010

## **2) Health Care and Education Affordability Reconciliation Act of 2010**

- Added elements of House reform proposal to the Senate version
- Passed April 2, 2010

## 2010: Medicaid Timeline

### Required

- Coverage for free standing birth center services
- Coverage for smoking cessation for pregnant women, without cost-sharing
- Concurrent care for children in hospice
- Decrease in Medicaid drug rebates to State—additional rebates retained by federal government to help pay for reform

## 2010: Medicaid Timeline

### Required

- Extends through FY 2016 the *Money Follows the Person Rebalancing Demonstrations*
- States must implement fraud, waste, and abuse programs by January 1, 2011
- Extends states' repayment of the federal share of Medicaid overpayments from current 60 days to one year.

## 2010: Medicaid Timeline

### Optional

- There are two demonstration projects that may have opportunities for Idaho. We will pursue based on legislative interest.
- Can expand coverage for childless adults through a Medicaid State Plan Amendment
- Can begin Medicaid coverage for family planning services to certain low-income individuals
- Can offer CHIP coverage for children of state employees

## 2011: Medicaid Timeline

### Required

- Prohibits payments to states for Medicaid services related to health care acquired conditions.

## 2011: Medicaid Timeline

### Optional

- Incentives for prevention of chronic diseases
- Provide health homes for enrollees with chronic conditions
- Several funding supports to provide services to keep people out of institutional care.



## 2012: Medicaid Timeline

### No Required Services. Optional Include:

- Establishes a bundled payment demonstration project for up to eight states for acute and post-acute care
- Establishes demonstration projects in Medicaid and CHIP to allow pediatric medical providers organized as accountable care organizations to share in cost-savings



## 2013: Medicaid Timeline

### Required

- Covers preventive services and approved vaccines – increases federal share of FMAP 1% with no cost-sharing
- Increases payment for primary care doctors with 100% federal funding for services provided Jan. 1, 2013 – Dec. 31, 2014
- Reduces Disproportionate Share Hospital (DSH) allotment beginning FY 2014
- Extends authorization and funding for CHIP through 2015

## 2014: Medicaid Timeline

### Required

- Expands Medicaid coverage to low-income adults, up to 133% federal poverty level.
- Use of “modified adjusted gross income” (MAGI) for determining eligibility for certain Medicaid groups. States must add a 5% disregard bringing new eligibility level to 138%.
- Prohibits use of asset or resource test for determining eligibility for Medicaid for certain eligibility categories.

## 2014: Medicaid Timeline

### Required

- State must have an online application website by Jan. 1 for people to apply or renew services through Medicaid or the exchange. The State also must conduct appropriate outreach to enroll vulnerable and underserved populations.
- Covers foster care children up to age 26.
- Prohibits the Medicaid program from excluding coverage of barbiturates, benzodiazepines, and tobacco cessation products.
- Permits hospitals to make presumptive eligibility determinations for all Medicaid eligible populations.

## 2014: Medicaid Timeline

### Optional

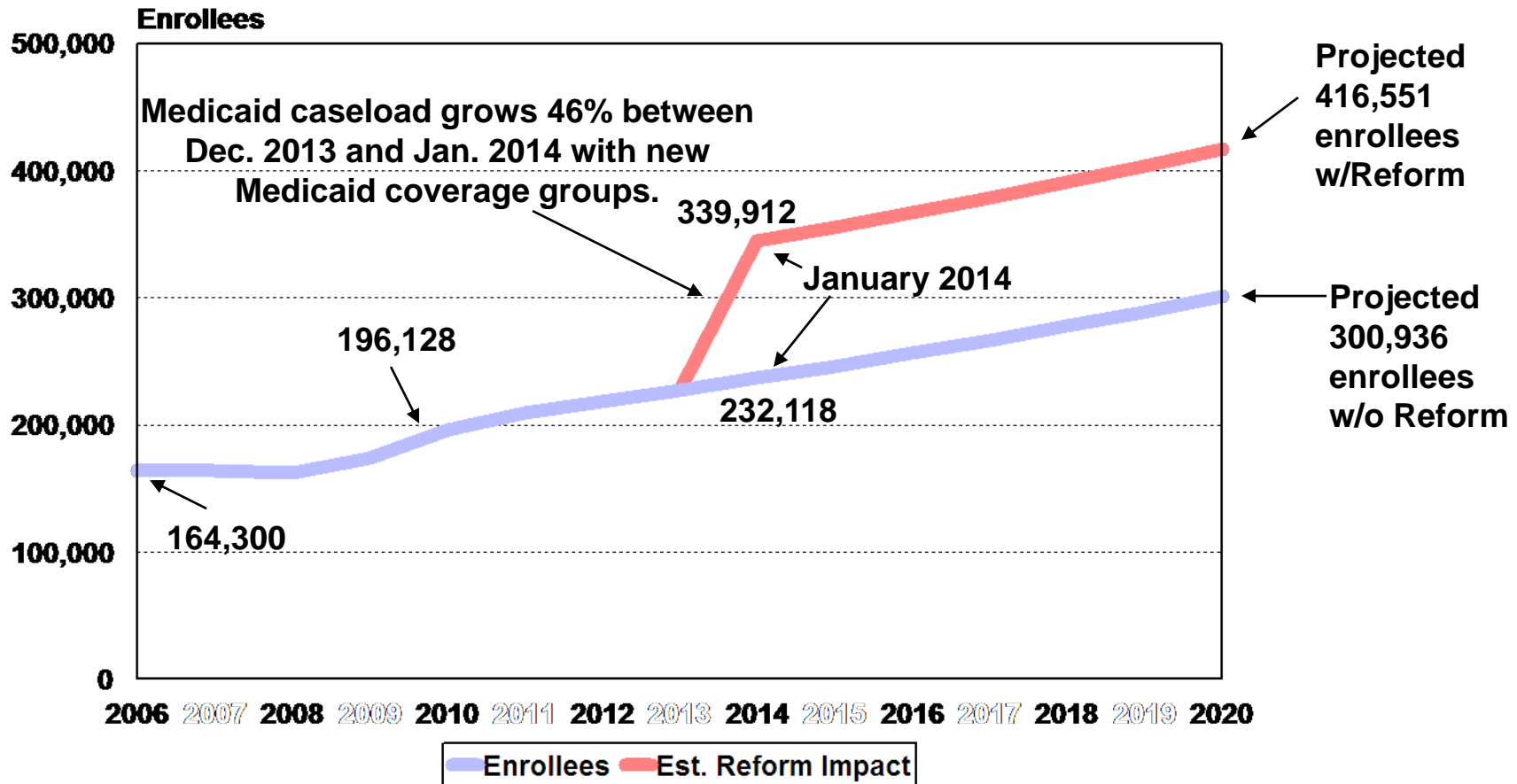
- Premium assistance and wrap-around benefits to all Medicaid beneficiaries
- Increase eligibility category to cover individuals who are above 133%, but less than 200% of the FPL, and eligible for the exchange

## 2015: Medicaid Timeline

### Required

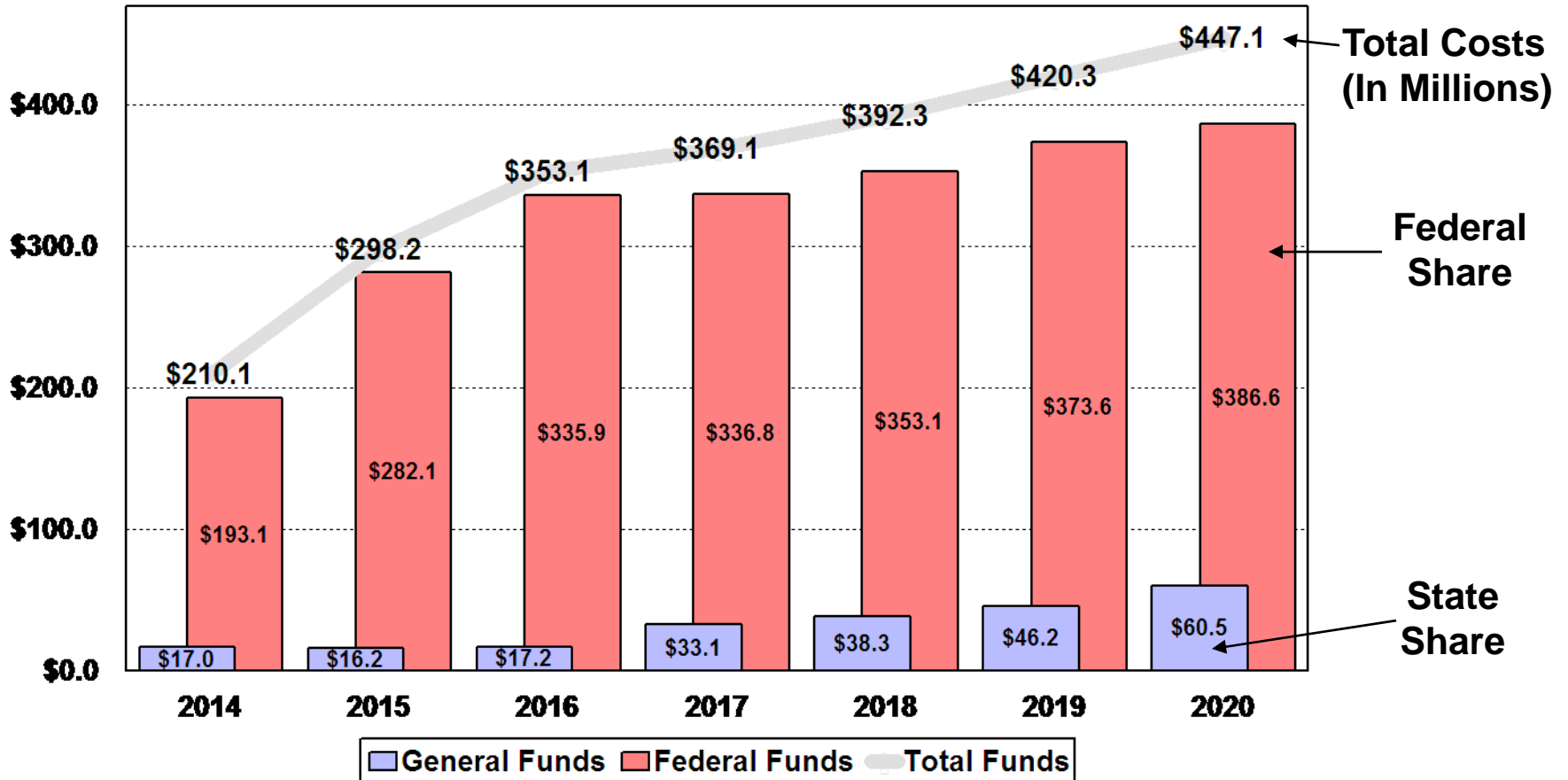
- **Enhanced FMAP for CHIP. For Idaho, the federal government will pay all of the claims expenses for CHIP kids over a four year period, between Oct. 1, 2015–Sept. 30, 2019.**

## Projected Caseload Growth



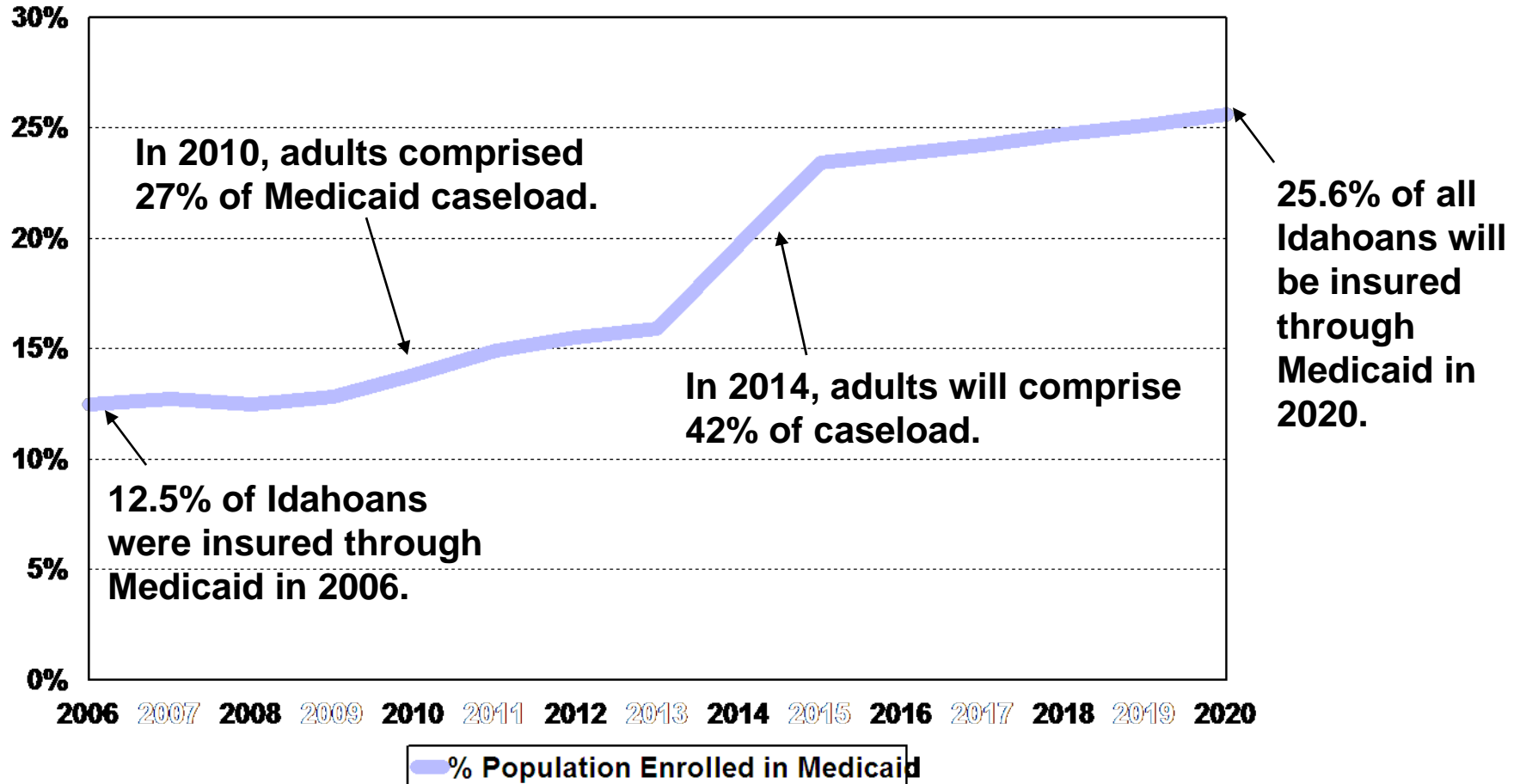
## Cost Estimates of Coverage

Millions





## Percent of State Insured by Medicaid



## Summary

- **Maintenance of effort for eligibility: States cannot make any changes that affect current Medicaid eligibility until 2014. This includes budget reductions that would affect eligibility.**
- **Medicaid expands in 2014 to include everyone under 65, up to 138% of poverty. Idaho estimates adding over 100,000 uninsured Idahoans.**
- **Feds cover 100% of cost for expansion group from 2014-2016; 95% in 2017; 94% in 2018; 93% in 2019; and 90% in 2020 and thereafter.**
- **States will have some flexibility in covered benefits for newly-eligible in 2014; must meet minimum standards set by federal government**