ACA for Providers
Marketplace

• Also called the “exchange”
• online portal for info and for purchasing insurance policies; healthcare.gov
• only place to access subsidies
• individuals, Navigators, Certified Application Counselors (CACs), insurance agents
• For individuals and small groups (SHOP)
Insurance for who?

- 200,000 uninsured in Montana in 2013
- Underinsured
- Existing individual insurance
  - Replaces existing policies
- COBRA, high risk pool, IHS, (not Medicare)
- Small Groups
  - With and without previous insurance
- Large groups generally not affected
2014 Experience

• Uninsured nationally fell from 18% to 12%
• Montana: 37K on exchange, 35K direct, 5K Medicaid (woodwork), 30K newly insured
• 20 million national, accessed insurance
  – 8m exchange, 5m direct, 6m Medicaid, 1m <26yo
• Medicaid expansion states - 95% insured
• Real experience of obtaining health care for those with serious illness
Subsidies 100 – 400% FPL

• 100% FPL= $11,670 individual, 2014
  – $23,850 family of 4
• subsidy tied to 2\textsuperscript{nd} lowest cost “silver” plan
• all plans have same essential benefits
• Actuarial value
  – Bronze 60%
  – Silver 70%
  – Gold 80%
  – Platinum 90%
Cost Share for Low Income

- In addition to subsidies
- Family income 100-250% FPL
- Silver plan only
  - reduces copay, deductible, co-insurance, max oop
  - actuarial value 100-150 FPL = 94%
  - 150-200 FPL = 86%
  - 200-250 FPL = 73%
Montana Marketplace

- federal for state of Montana
- three companies in 2014, four in 2015
  - Montana Health CO-OP, BCBS (HCSC), Pacific Source, Assurant
- other states with different rates and companies
- off exchange – same plans - no subsidy
- Individual and SHOP (small business < 50, 100)
Benefits

• no exclusion based on health or history
• rates vary dependent on age and smoking
  – State, region
• Deductible, co-pay, co-insurance, max oop all depend on which metallic plan is chosen
• 4 regions in Montana
• no lifetime limits on expense
• preventive care covered 100%
Penalty (mandate)

- $95/year adult, $47.50/yr child, up to $295/yr per family or 1% income 2014 (greater of)
- $325 in 2015, $975 max or 2%
- $695 in 2016, $2,085 max or 2.5% (2017 COL)
- No penalty for low income, no tax return, unaffordable (>8% income), religious
- large employer mandate, starts in 2015
- small employers (<100, <50 in 2016) none
Other

• government pays subsidy to insurance co.
  – individual pays their share directly to insurance co.
• employers may drop coverage and go to marketplace; no penalty <100 2015, <50 2016
• no effect anticipated on large employers who currently supply insurance (self funded)
• income estimate, tax returns, penalty
Medicaid Expansion

• 27 states yes, 23 no
• DPHHS visual explanation
• 40-50,000 currently with no access to health insurance in Montana
• Current Legislative session
  – Straight expansion
  – CHIP model (Bullock)
  – Arkansas model (premium assist)
  – Revenue neutral waiver with CMS (1115, 6/27)
• 0 – 138% FPL if instituted
Challenges

• Healthcare.gov, state exchanges
• Legislative and other legal actions
  – King vs. Burwell, SCOTUS
  – Risk corridor funding
  – MPAB
  – Employee definition (30 vs. 40 hours/week)
• Viability of taking on high disease burden
• Alternatives?
Effect on Providers

- More commercial insurance
- Increased primary care demand
- Narrower networks
- Closed formularies, step therapy (Hep C)
- Pre-authorization for CT/MRI/PET, specialty meds, elective surgery
- Hospitals; loss of DSH funding
- ACO’s, “value based” reimbursement