

ACA for Providers

Marketplace

- Also called the “exchange”
- online portal for info and for purchasing insurance policies; [healthcare.gov](https://www.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 2nd 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