

Overview of Changes to the Affordable Care Act Posted March 10, 2017

** Subject to change as it works its way through Congress . . . But here's an overview of changes to the Affordable Care Act. Note the move toward block grants to the States for Medicaid. Happy to see the allowances for medical CPI/inflation. -- The Council on Developmental Disabilities*

Information courtesy of ANCOR

INITIAL TAKEAWAYS FROM AMERICAN HEALTH CARE ACT (MARCH 6, 2017)

This list focuses on major provisions of interest to IDD providers and does not include all changes in the proposed legislation.

(Unless otherwise noted, most changes will take effect January 1, 2020)

PER CAPITA CAPS

- Changes the structure of Medicaid from an open-ended entitlement program to one of capped federal contribution.
- Beneficiaries are divided into five categories: 1) elderly, 2) blind and disabled, 3) non-CHIP children, 4) Medicaid expansion adults, and 5) other adults.
- While the beneficiary categories dictate how much money a state will get (dollars are allocated per number of beneficiary in each band), the state is not required to spend money allocated by category on beneficiaries in that category.
- Starting in FY2020, using FY2016 spending as a baseline, states will receive a per beneficiary amount of the baseline inflated by the medical consumer price index (CPI). This will adjust yearly based on the prior year amount.
- Populations not covered by the capped allotment are CHIP beneficiaries, Indian Health Service recipients, individuals entitled to breast and cervical cancer treatment, certain unauthorized aliens eligible for Medicaid emergency medical care, individuals eligible for Medicaid family planning options, duals, individuals eligible for premium assistance, and coverage of tuberculosis-related services for individuals infected with TB.

COMMUNITY FIRST CHOICE OPTION

- The enhanced (6%) FMAP for Section 1915(k) state plan option is repealed.

MEDICAID EXPANSION

- Repeals the enhanced match for newly eligible beneficiaries. Those enrolled prior to December 31, 2019, will continue to receive enhanced FMAP. Those who enroll after January 1, 2020 would receive traditional FMAP for that individual.

ESSENTIAL HEALTH BENEFITS

- Federal EHB standards will sunset on December 31, 2019, with states then determining what minimum requirements will exist for insurance plans in the state.

EMPLOYER MANDATE

- Reduces the employer penalty for not offering affordable health coverage to employees to \$0 beginning January 1, 2016. (Retroactive relief will be provided for those impacted in 2016.)

INDIVIDUAL MANDATE

- Reduces the individual mandate for not purchasing insurance to \$0 beginning January 1, 2016. (Retroactive relief will be provided for those impacted in 2016.)

DISPROPORTIONATE SHARE HOSPITAL PAYMENTS

- Restores DSH payments that were cut due to expected increase in Medicaid coverage by expansion population. The repeal of the cuts would take place in 2018 for non-expansion states, and 2020 for expansion states.