Talking Points / MN

Policy requests

- Maximize opportunities for AI/AN to enroll in Medicaid and in Exchange health plans
- Require all Exchange plans to offer to contract with I/T/U providers in plan service area
- Require use of an Indian Addendum by Exchange plans as a means to efficiently facilitate compliance with Federal laws
- Require all Exchanges to facilitate Indian Sponsorship of AI/AN who are enrolling through an Exchange, through the payment of some or all of the AI/AN enrollees premium by the sponsoring Tribe or tribal organization
- Support a uniform application of the definition of Indian so as to facilitate enrollment, minimize confusion, and streamline the determination of eligibility for a range of AI/AN-specific provisions

Benefits to States from ---

1. Benefits to State from enrolling additional AI/AN in Medicaid

- Otherwise uninsured AI/AN will gain access to comprehensive health care services
  - Demand for Federal- and State-funded categorical programs will be lessened
- Additional Federal Medicaid funds: From 2014 to 2019, the Federal government will pay between 100% and 93% of the cost of covering these newly-eligible individuals. After 2019, the Federal Medical Assistance Percentage (FMAP) will be 90 percent for these Medicaid health service costs, with States contributing 10%. The FMAP for AI/AN served by the Indian Health Service (IHS) and Indian tribes and tribal organizations will remain at 100 percent.
  - More AI/AN Will Be Eligible for Medicaid with ACA Implementation: An estimated 185,000 – 380,000 uninsured AI/AN across the country who report access to Indian health programs providers would be eligible for Medicaid under the expansion. These Medicaid enrollees are in addition to the approximately 437,000 IHS users that are covered by Medicaid or the Children's Health Insurance Program (CHIP) nationally today. The Medicaid expansion under the ACA is projected to generate new funding to serve AI/AN. A portion of the new Medicaid revenues will flow to Indian health programs and a portion will offset Contract Health Service expenditures.
  - Additional Federal revenues: Depending upon State-specific costs, for each additional AI/AN enrolled in Medicaid an additional $3,000 - $4,000 in Federal funding will be brought into the State (with no-to-minimal State match required). Nationally, it is estimated that roughly $1 billion in additional annual revenues will be generated through Medicaid to provide health care services to AI/AN; some of these Medicaid funds will flow to I/T/U providers.
- Increased Medicaid Rates for Primary Care Providers: The ACA requires States to increase Medicaid payment rates to primary care physicians for furnishing primary care services to no less than 100 percent of Medicare payment rates in 2013 and 2014. The Federal government is to provide 100 percent Federal funding for the additional costs to States of meeting this requirement. Other payment mechanisms under

Medicaid remain in effect and are not impacted, including the all inclusive rate that is used by many I/T facilities.

- IHCIA Provisions Prohibit Offsetting of Appropriations: Under a long-standing provision of the Indian Health Care Improvement Act (IHCIA), section 401(a) directs Congressional appropriators to not consider the amount of revenues received by Indian health programs from Medicare, Medicaid and CHIP when determining appropriation levels for the Indian health programs. While this provision may not actually bind Congressional appropriators, it does provide a clear indication of the Congressional intent to supplement direct appropriations to Indian health programs with third party revenues, and not substitute third party revenues for direct appropriations. In addition, IHCIA section 207 ensures tribes and tribal organizations are able to retain the third-party revenues they generate and prohibits the IHS from offsetting the revenues received by reducing IHS amounts already obligated to the tribe or tribal organization.
- Additional Federal funds through Medicaid for medical services will strengthen I/T/U providers in the State, by either, directly, generating additional revenues for I/T/U providers or, indirectly, relieving I/T/U providers of some of the volume of previously unreimbursed care, enabling those resources to be redirected to unmet health care needs of patients.
- Additional Federal funds through Medicaid for medical services will strengthen providers generally in the State.

2. Benefits to State from enrolling AI/AN in Exchange plans

- Otherwise uninsured AI/AN will gain access to comprehensive health care services
    - Demand for Federal- and State-funded categorical programs will be lessened
- Additional Federal funds for Exchange premium assistance: Funds paid to Exchange plans on behalf of Exchange plan enrollees for premium assistance are solely Federal funds. No State matching funds are required.
    - Nationally, the value of the premium assistance is estimated to be $8,141 annually for a family of three at the national median income (approximately $48,000 per year).
- Additional Federal funds for general Exchange cost-sharing assistance: Funds paid to Exchange plans on behalf of Exchange plan enrollees for cost-sharing assistance are solely Federal funds. No State matching funds are required.
- Additional Federal funds for AI/AN-specific Exchange cost-sharing protections: The HHS Secretary is to make additional payments to Exchange plans that enroll AI/AN in order to compensate the Exchange plan for not being able to impose cost-sharing requirements on AI/AN with income at or below 300% of FPL. The assistance is solely Federal funds. No State matching funds are required.
    - Nationally, the value of the AI/AN-specific cost-sharing protections are estimated to average $3,630 per year for a family of three at the national median income (approximately $48,000 per year).
- Additional Federal funds through Exchange plans for medical services will strengthen I/T/U providers in the State, by either, directly, generating additional revenues for I/T/U providers or, indirectly, relieving I/T/U providers of some of the volume of previously unreimbursed care and enabling those resources to be redirected to unmet health care needs of patients.

- Additional Federal funds through Exchange plans for medical services will strengthen providers generally in the State.

3. Benefits to State from –
    a. requiring all Exchange plans to offer to contract with I/T/U,
    b. requiring all Exchange plans to use a standard Indian Addendum when contracting with I/T/U providers,
    c. requiring Exchanges to facilitate Indian sponsorship for payment of premiums for AI/AN enrolled in Exchange plans

- Use of (a) and (b) above will increase the likelihood that I/T/U providers will be available in Exchange health plan(s), thereby increasing the value of Exchange plan enrollment for AI/AN and the likelihood that AI/AN will enroll in an Exchange plan
- Use of (c) above will increase the likelihood that premiums will not be a barrier to AI/AN enrollment in Exchange plans, thereby increasing the likelihood for enrollment of AI/AN in an Exchange plan
- Increased enrollment of AI/AN in Exchange plans will, as discussed above, bring additional Federal funds into the State, additional premium revenues to Exchange plans, additional revenues to I/T/U and non-I/T/U providers, and give the AI/AN access to comprehensive health care services.

Benefits to health plans from greater enrollment of AI/AN in Exchange plans

1. Benefits to Exchange plans from enrolling additional AI/AN --
   - The greater the number of Exchange plan enrollees, the greater the amount of Federal funds into the State
   - The greater the number of Exchange plan enrollees, the greater the revenues to the Exchange plan
   - All Exchange plans will be compensated through a risk adjustment mechanism for enrolling higher needs individuals
   - All Exchange plans enrolling an AI/AN with household income at or below 300% of the FPL will receive full compensation (in the form of actuarial equivalent payments from HHS) for the cost of waiving cost-sharing requirements
   - All Exchange plans will be compensated for the cost of plan enrollees who are served by I/T/U for whom cost-sharing requirements are waived (in the form of actuarial equivalent payments from HHS)
   - The broader the pool of Exchange plan enrollees the less the likelihood for adverse selection against an Exchange plan

2. Benefits to Exchange plans from –
   a. requiring all Exchange plans to offer to contract with I/T/U
   b. requiring all Exchange plans to use a standard Indian Addendum when contracting with I/T/U providers
   c. requiring Exchanges to facilitate Indian sponsorship for payment of premiums for AI/AN enrolled in Exchange plans

   - Under (a), since all health plans operating in a Federal health program are required to offer to contract with I/T/U on the same terms as the health plan contracts with other providers, instituting this requirement at the Exchange level will ensure more uniform compliance (and less non-compliance) with the Federal requirement. (The requirement is contained in IHCIA section 408(a), as well as under the network adequacy standards under the Affordable Care Act.)
   - Under (b), compliance with Federal law pertaining to I/T/U and AI/AN is facilitated and compliance costs are reduced as a result of the standard provisions in the Indian Addendum.
   - Under (a) and (b), I/T/U providers will more likely be in-network providers, resulting in greater coordination of care for AI/AN across the Exchange plan network
   - Under (a) and (b), I/T/U providers will more likely be in-network providers, resulting in less reliance on IHCIA section 206 billing provisions that require all health plans to pay favorable rates to I/T/U for services rendered by I/T/U to AI/AN
   - Use of (a) and (b) above will increase the likelihood that I/T/U providers will be available in Exchange health plan(s), thereby increasing the value of Exchange plan enrollment for AI/AN and the likelihood that AI/AN will enroll in an Exchange plan

- Use of (c) above will increase the likelihood that premiums will not be a barrier to AI/AN enrollment in Exchange plans, thereby increasing the likelihood for enrollment of AI/AN in an Exchange plan
- Increased enrollment of AI/AN in Exchange plans will, as discussed above, bring additional Federal funds into the State, additional premium revenues to Exchange plans, additional revenues to I/T/U and non-I/T/U providers, and give the AI/AN access to comprehensive health care services.