



North Dakota Medicaid Expansion Workshop

2013



## Agenda

- **Introduction and Objectives**
  1. Affordable Care Act (ACA) Overview
  2. Medicaid Expansion in North Dakota
    - a. Eligibility
    - b. Benefits
    - c. Application Process
  3. Health Insurance Marketplace
- **Conclusion**



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## A few notes before we begin

- 🚫 Please make sure you add your contact information to the sign-up sheet
- 🚫 Please turn mobile devices off – or to silent mode
- 🚫 Restrooms are located ...
- 🚫 Questions are welcomed ...
- 🚫 If we don't have answers, we will park them – and then follow-up

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## Introduction and Objectives

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## About the presenters

- Mark T. McClenning, Director of Medicaid Eligibility Policy, North Dakota Department of Human Services
  - mmcclenning@nd.gov
- Peter B. Summerville, on behalf of HTMS

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## Objectives

- Understand how ACA will impact health care coverage options beginning in 2014
- Understand exceptions from the ACA specific to Native Americans
- Understand the changes coming to North Dakota **Medicaid** beginning in 2014, including:
  - Who will be eligible
  - What the benefits look like
  - How to apply
  - Where to find more information

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## Accessing healthcare can seem a little complicated

We will highlight the key points.

## Affordable Care Act (ACA) Overview

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## What is the Affordable Care Act?

- The health care law that passed in 2010 is also referred to as:
  - Health Care Reform
  - Patient Protection & Affordable Care Act – ACA
- Designed to provide new affordable health care choices and more benefits and protections
- Some provisions implemented between 2010 and 2013 are already effective
- Remaining provisions come into effect in 2014 and in future years

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## The ACA includes provisions that are intended to create a culture of coverage

- The goal is to get people enrolled in coverage
- Uniform Medicaid eligibility rules – across all states
- “No wrong door” for eligibility and enrollment
- Mandate and subsidies to encourage and help people access healthcare coverage



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## How does the ACA impact Native Americans?

Through the ACA, Native Americans may have new ways to access healthcare

- Native Americans have several exemptions from the law which we will discuss today
- Some provisions of the ACA may provide opportunities to impact healthcare finances for Native American Tribes and the Indian Health Service

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## What is already effective?

Some important changes to health insurance rules went into effect in 2010. Examples include:

- Cover certain preventive services\* without deductibles or cost-sharing (e.g. blood pressure & cholesterol screening, certain immunizations, etc.)
- Allow parents to keep adult children up to age 26 on their insurance

\* <https://www.healthcare.gov/what-are-my-preventive-care-benefits/>

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## What is still coming?

**The most changes that will directly impact consumers' health coverage begin January 1, 2014.**



- Permanent Reauthorization of Indian Health Care Improvement Act (IHCA)
- Guaranteed Issue
- Individual Mandate
- Medicaid Expansion
- Health Insurance Marketplace – Qualified Health Plan coverage

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## Permanent reauthorization of IHCA

Reauthorization results in the development of new programs within IHS to raise the health status of Native Americans. For example:

- New and expanded programs for mental and behavioral health treatment and prevention
- Long-term care services, including home health care, assisted living and community-based care
- Funding of patient travel costs
- Improved dialysis services
- Improvements in the Contract Health Services program, which pays for referrals
- Facilitation of care for Indian veterans

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## IHS is the payer of last resort for all services provided to Native Americans

Native Americans covered by the new Medicaid expansion program will have two levels of coverage:

Medicaid will pay first, then IHS payments will kick in to fill in gaps not covered by Medicaid.

This could help preserve IHS resources for a longer period of time

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## ACA guaranteed issue

Health insurance plans can no longer refuse coverage or increase premiums based on a pre-existing health condition.

This is true even if you have been turned down or refused coverage due to a pre-existing condition in the past.

**The one exception:**

Grandfathered individual health insurance plans (not purchased through an employer) do not have to cover pre-existing conditions.

A grandfathered plan means a group or individual health plan that was purchased on or before March 23, 2010.

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## Individual mandate

The following are exempt from this requirement:

- Native Americans eligible for care through IHS
- Those with financial hardships
- Those with religious exemptions
- Non-lawfully residing individuals
- Incarcerated individuals

Native Americans are not subject to the individual mandate.

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## People can get health care coverage in many ways

### Current Ways to Get Coverage

- Medicaid - those who meet current state Medicaid requirements
- Commercial coverage – through employer or directly purchased
- Medicare – those over 65 or disabled
- Veteran's Administration – those who have served in the US military

### New Ways to Get Coverage

To provide coverage options, the ACA establishes three options:

1. Health Insurance Marketplace
2. SHOP Exchange
3. Medicaid Expansion

↑

We'll describe these new options today

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## What does it mean to be uninsured?

Total Uninsured North Dakotans	74,700 (11%)
Total Uninsured Native Americans in North Dakota	13,446 (18% of total uninsured)

If you are not covered by health insurance you could be asked to pay full price for services not provided or referred by IHS.

Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on the Census Bureau's March 2011 and 2012 Current Population Survey (CPS: Annual Social and Economic Supplements).  
US Census Bureau, 2010, American Community Survey; "Barriers to Obtaining Health Insurance Among Native Americans in New Mexico," January 2006. Commissioned by: New Mexico Human Services Department; and interviews with state departments.

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## Medicaid Expansion in North Dakota Eligibility

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## Medicaid Expansion

- Medicaid expansion was one of the ACA provisions that was considered by the United States Supreme Court.
- The provision was upheld but limited the federal government's ability to penalize states that do not comply, making Medicaid expansion optional to states.
- North Dakota opted to expand its Medicaid program authorizing a number of new coverage options **available in January 2014.**

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## How is Medicaid Expansion different than Medicaid today?

- Your eligibility worker can help determine whether you qualify for today's Medicaid or Medicaid expansion coverage
- Today's Medicaid works the same as always
- This presentation will explain how Medicaid expansion works



## Many Native Americans may be eligible for Medicaid under the expansion

- A number of U.S. citizens under age 65 with household incomes up to 138% of FPL will now qualify for Medicaid
- Medicaid expansion will open the program to adults without dependent children and low income parents who, in general, were not previously eligible for Medicaid

Even if you have been turned down for Medicaid in the past, you may be eligible now



## Medicaid Expansion differs from Traditional Medicaid

### Traditional Medicaid

- Coverage provided by State
- Must meet asset and income criteria
- Must qualify for coverage groups (children, older/blind, etc.)
- Applicants with significant assets may not qualify despite having low incomes, or may need to pay a cost share (recipient liability) to qualify for coverage.

### Medicaid Expansion

- Coverage provided by managed care organizations
- Eligibility based on household's Modified Adjusted Gross Income (up to 138% FPL)
- No asset criteria
- Benefit plan differs from Traditional Medicaid



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## Income requirements

<p>If you aren't on Medicare <b>AND</b> your household income is less than 138% FPL*</p>	<p>If your household income is between 138% and 400% of the FPL*</p>	<p>If your household income is above 400% of the FPL*</p>
<p>You are likely eligible for <b>Medicaid</b></p>	<ul style="list-style-type: none"> <li>• Some individuals in particular situations will be eligible for Medicaid</li> <li>• All others will be eligible for subsidies on the Federal Insurance Marketplace</li> </ul>	<p>You can buy insurance on the Federal Insurance Marketplace but aren't eligible for assistance on the cost.</p>

\*Federal Poverty Level



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## What impacts will Medicaid expansion have on North Dakotans?

**Three main areas of impact:**

- Application process
- Eligibility determinations
- Access to health care coverage

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## How is eligibility determined under Medicaid expansion?

- Medicaid Expansion eligibility is based on **Modified Adjusted Gross Income (MAGI)** which is defined by the IRS
- Income is measured by the **household's taxable income**
- Assets and other resources will not be considered for Medicaid Expansion eligibility

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## Income exemptions for the new eligibility determinations

### Native Americans

States are **barred from counting certain types of income earned** by Native Americans as part of their income eligibility determination

### Spousal Impoverishment Protections

- For a five-year period beginning January 1, 2014, states are required to have spousal impoverishment protections for spouses of Medicaid beneficiaries living in the community receiving care through home and community-based services (HCBS)
- These protections would enable community spouses to keep a minimum share of the couple's combined income and assets

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## How is “Household” defined under Modified Adjusted Gross Income?

“Household” is defined by the following factors:

- Whether applicants are individuals, married couples, families with children under the age of 19, or blind/disabled individuals
- Household members’ tax filing statuses

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## Understanding how income is calculated

Counted	Not Counted
<p>In general, N.D. counts all <b>taxable income</b> such as:</p> <ul style="list-style-type: none"> <li>• Social Security Payments, both taxable and non-taxable</li> <li>• Self-employment and farm income after depreciation and deduction of capital losses is counted</li> <li>• Other sources of income</li> </ul> <p><i>A few exceptions may apply (e.g. non-taxable Social Security Income)</i></p>	<ul style="list-style-type: none"> <li>• Assets</li> <li>• Child support income received</li> <li>• Scholarships, fellowship grants and awards used for educational purposes</li> <li>• Native American income derived from distributions, payments, ownership interests, and real property usage rights</li> </ul>

Source: [kff.org](http://kff.org); [statereforum.org](http://statereforum.org)

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## What is the qualifying Federal Poverty Level (FPL) for the Medicaid expansion in 2013?

Household Size	138% Monthly Income	138% Annual Income
1	\$1,322	\$15,864
2	\$1,784	\$21,408
3	\$2,246	\$26,952
4	\$2,709	\$32,508
5	\$3,171	\$38,052
6	\$3,633	\$43,596
7	\$4,096	\$49,152
8	\$4,558	\$54,696
9	\$5,020	\$60,040
10	\$5,483	\$65,796
Plus - 1	\$463	\$5,556




## Medicaid Expansion in North Dakota Benefits



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## Benefits

People who qualify for the Medicaid expansion will have different benefits than other Medicaid recipients

- Other groups will retain the same benefits as in the past
- New group will be covered through managed care organizations
- Plans will cover Essential Health Benefits, but may have **other requirements** such as:
  - Copayments (also called Copays)
  - Primary Care Physicians (PCPs)
  - Prior Authorizations

Benefits are the services, tests, visits, or procedures that are covered by health care plans

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## Medicaid Expansion in North Dakota Application Process

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## Application process under Medicaid Expansion

**A single application form will be used to apply to any insurance affordability program (IAP)**

- Includes Medicaid, CHIP, and Qualified Health Plans (QHPs) through the Marketplace

The ACA calls for a new **streamlined application approach** to ease the burden on consumers.

**“No Wrong Door”**

- Consumers can submit an application online, by mail, by phone, or in person.



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## Preview of North Dakota Medicaid portal



Please note this site remains under development



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## What to expect in the application

If applying online, you will first need to set up an account.

Applicant's Information

→

- Name
- Address
- Social Security No.
- Job/Income Info.
- Other misc.

Others in the household

Any of the household Native American?

Read and sign the application



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## What to expect in the application

Applicant's Information

→

- Name
- Address
- Social Security No.
- Job/Income Info.
- Relationship to applicant
- Misc. other

Others in the household

Any of the household Native American?

Read and sign the application



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## What to expect in the application

Applicant's Information

Others in the household

Any of the household Native American? →

Read and sign the application

If so:

- Name(s)
- Tribe
- Past IHS/other services
- Additional income items



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## What to expect in the application

Applicant's Information

Others in the household

Any of the household Native American?

Read and sign the application →

**Sign the application**  
For most, that's it!

If the system can't verify information, additional steps may be involved.



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## When can I apply?

- Open enrollment for both Medicaid expansion and the Health Insurance Marketplace began October 2013
- If you are eligible, your health care coverage can become effective on January 1, 2014.

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## What do I need to sign up?

- Social Security numbers (or document numbers for legal immigrants)
- Birth dates
- Pay stubs, W-2 forms, or “Wage and Tax Statements”
- Most recent tax returns
- Policy numbers for any current health insurance
- Information about any health insurance you or your family could get from your jobs

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## Where do I submit my application?

*Updated 12-10-13*

- North Dakota will accept applications for Medicaid expansion program at:  
[apply.dhs.nd.gov](http://apply.dhs.nd.gov)
- In addition to online applications, individuals will be able to submit paper applications by mail, by phone 1-855-794-7308 (TTY users 1-800-366-6888) or in-person at a county social service office
- For more information visit:  
[nd.gov/dhs/medicaidexpansion](http://nd.gov/dhs/medicaidexpansion)

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## What else should I know?

To be fully prepared, it is suggested that consumers:

- Collect required information
- Understand insurance terms

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## What happens after I apply?

- After completion and submission of the application, your information is reviewed to determine if you qualify for Medicaid, the Medicaid expansion, or another insurance affordability program
- You will be notified

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## You were DENIED Medicaid eligibility, *now what?* (Updated 12/10/2013)

- Continue onto Health Insurance Marketplace portal ([www.HealthCare.gov](http://www.HealthCare.gov))
- Federally-approved Navigators and Certified Application Counselors are available to help people apply.
  - See contact information at <https://localhelp.healthcare.gov>

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## Health Insurance Marketplace



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## What is a Health Insurance Marketplace?

- The Federal Health Insurance Marketplace is an online portal where North Dakotans can buy various **private qualified health plans**
- Consumers and small businesses can compare plans, view prices, determine if they qualify for federal subsidies, and enroll in private coverage.

**Qualified Health Plans (QHPs) offered through the Marketplace are the only plans where people can use the subsidies.**



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## What coverage can you buy?

**Qualified Health Plans (QHPs)** are the only type of health products offered through the Marketplace

They were designed for easy comparison shopping for consumers through different coverage and cost levels described as bronze, silver, gold and platinum.

But wait, Native Americans have different rules for what they have to pay. (See slide #51)

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## Essential Health Benefit (EHB) categories

The ACA requires Qualified Health Plans to include a minimum set of 10 core benefit categories:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness and chronic disease management
- Pediatric services, including oral and vision care

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## What subsidies are available through Marketplaces?

A qualified individual must have income between 138% and 400% FPL through a series of criteria.

**Two types of subsidies are available:**

1. **Premium subsidy** – supports the cost of premium
2. **Cost sharing subsidy** – supports additional costs when seeing a doctor

But wait, Native Americans have different rules for what they have to pay (See slide #52).

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## Health Insurance Marketplaces: Unique Requirements for Native Americans

Native Americans can switch QHPs more frequently than the general public (once a month)	<p><b>The ACA establishes exemptions for Native Americans who purchase coverage through a Health Insurance Marketplace</b></p>
Indian tribes, tribal organizations and urban Indian organizations may pay QHP premiums on behalf of qualified Native Americans	
Native Americans with household income at or below 300% FPL who are enrolled in a QHP are exempt from cost sharing	
Native Americans who are enrolled in a QHP and receiving care from an IHS provider are exempt from cost sharing	



## How do I enroll with insurance companies offering coverage in the Marketplace?

To determine subsidy eligibility, shop for a private Qualified Health Plan, and enroll through the Federal Marketplace, an individual can:

- Go direct to the Health Insurance Marketplace at [www.Healthcare.gov](http://www.Healthcare.gov)
- Go directly to a participating health plan
- Use a licensed insurance agent or broker

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## Where do I learn more about the Marketplace?

-  Seek guidance from local Indian Health Service facilities
-  Visit [www.HealthCare.gov](http://www.HealthCare.gov) to learn about key dates, news, and updates; or chat online with a Marketplace Call Center representative
-  Call the Marketplace Call Center at 1-800-318-2596 (TTY users should call 1-855-889-4325)
-  Like Facebook.com/HealthCareGov
-  Follow @HealthCareGov on Twitter
-  Seek out advice from North Dakota's designated navigators

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## Who are the Navigators?

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**Great Plains Tribal Chairmen's Health Board**  
 CMS Health Insurance Exchange Navigator Project  
 1770 Rand Road  
 Rapid City, SD 57702  
 navigator@gptchb.org  
 605-721-1922, ext. 104 / Toll Free 877-209-1215  
 On the Web at: <http://navigator.gptchb.org>
  
- 
**Minot State University - North Dakota Center for Persons with Disabilities**  
 500 University Ave. West  
 Minot, ND 58707  
 Neil.scharpe@minotstateu.edu  
 701-858-3596 / Toll Free 800-233-1737

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## Conclusion

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## Conclusion: *Key points to take away*

- Native Americans have many options for how to seek the health care they are guaranteed through treaty
- More people will be eligible for Medicaid than were eligible in the past
- Enrollment will be streamlined
- For more information on the Medicaid expansion, go to [www.nd.gov/dhs/medicaidexpansion](http://www.nd.gov/dhs/medicaidexpansion)
- To apply for Medicaid go to <https://apply.dhs.nd.gov> or call toll free 1-855-794-7308 (TTY: 1-800-366-6888), or visit a county social service office

REVISED 12/10/2013

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## Appendix

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## Publications and Fact Sheets are located at

[www.nd.gov/dhs/medicaidexpansion](http://www.nd.gov/dhs/medicaidexpansion)

Brochure: Medicaid Expansion & the Affordable Care Act

### Fact Sheets

The Affordable Care Act

Medicaid Expansion in North Dakota

Medicaid Expansion for the Native American Community

Public Service Announcements

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## Health Insurance 101

When you have insurance, you pay some costs and your insurance plan pays some:

- **Premium:** A fixed amount you pay to your insurance plan, usually every month. You pay this even if you don't use medical care that month.
- **Deductible:** The amount you pay for care before the insurance company starts to pay its share. Once you meet your deductible, your insurance company begins to cover some costs of your care. Many plans provide preventive services, and sometimes other care, before you've met your deductible.

<https://www.healthcare.gov/why-should-i-have-health-coverage/>

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## Health Insurance 101 (continued)

- **Copayment:** A fixed amount you'll pay for a medical service. For example, after meeting your deductible you may pay \$25 for a visit to the doctor's office that would cost \$150 if you didn't have coverage. The health plan pays the rest.
- **Coinsurance:** Similar to copayment, except it's a percentage of costs you pay. For instance, you may pay 20% of the cost of a \$100 medical bill. So you would pay \$20 and the health plan would pay the rest.

<https://www.healthcare.gov/why-should-i-have-health-coverage/>

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## Example

Let's say that you are in a serious accident. You've accumulated \$50,000 in covered medical expenses.

Your health insurance plan offers;

- Deductible: \$1,000
- Coinsurance: 20 percent
- Out-of-pocket maximum: \$3,000

### You would be responsible for the first \$1,000 (your deductible)

- After you pay your deductible of \$1,000, you would be responsible for 20% coinsurance until you reach your out-of-pocket maximum of \$3,000 (in this case, you would be responsible for another \$2,000)
- Your health insurance plan would pay the rest of the covered medical expenses (in this case, 80 percent) after the \$1000 deductible.
- After you reach your out-of-pocket maximum, you would pay nothing for any additional covered medical expenses for the rest of the plan year

<http://www.bcbsla.com/FINDAPLAN/GETTINGSTARTED/Pages/UnderstandInsurance.aspx>





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Fourth Quarter 2013



north dakota  
department of  
human services