## Premiums/Monthly Contributions for Adults Under Section 1115 Waiver Authority

**Arkansas** received waiver approval to require certain enrollees to make monthly income-based contributions to health savings accounts (HSAs) to be used in lieu of paying point-of-service copayments and co-insurance. Medically-frail individuals, including those with disabilities or complex health conditions, are exempt from these payments. Monthly contributions are $10 for expansion adults with incomes between 101% - 115%, and $15 for individuals with incomes between 116% - 138%. Under the waiver, Arkansas can charge monthly HSA contributions for expansion adults with incomes down to 50% FPL, but the state is not currently charging those with incomes below poverty. Adults with incomes above poverty who fail to make monthly HSA contributions are responsible for copayments and co-insurance at the point of service, and providers can deny services for failure to pay cost-sharing. Cost-sharing charges are at amounts otherwise allowed under federal law.

In **Iowa**, the waiver allows the state to impose monthly contributions of $5 per month for non-medically frail beneficiaries with incomes between 50% and 100% FPL and $10 per month for non-medically frail beneficiaries with incomes above poverty beginning as of the second year of enrollment. The state cannot disenroll individuals below poverty due to unpaid premiums. Individuals above poverty have a 90-day grace period to pay past-due premiums before they are disenrolled, and the state must waive premiums for enrollees who self-attest to financial hardship. Individuals who are disenrolled for nonpayment can reenroll at any time.

The waiver in **Indiana** imposes monthly contributions at 2% of income for most newly eligible adults and Section 1931 parents. Those with incomes between 0% and 5% FPL must pay $1.00 per month. Individuals with incomes below poverty cannot be disenrolled due to nonpayment but receive a more limited benefit package and are subject to copayments at the point of service. (Medically frail individuals are not placed in the more limited benefit package.) Individuals above poverty are not enrolled in coverage until they make their first monthly payment. In addition, non-medically frail individuals above poverty can be disenrolled due to nonpayment after a 60-day grace period and are subject to a 6-month lock-out period.

**Michigan's** waiver provides for monthly premiums of 2% of income for enrollees with incomes above poverty, as well as monthly payments into HSAs based on their prior six months of copayments for services used. The copayments are at the same level as what would have been collected without the waiver. Enrollees cannot lose or be denied Medicaid eligibility, be denied health plan enrollment, or be denied access to services, and providers may not deny services for failure to pay copayments or premiums.[12]

In **Montana**, non-medically frail expansion adults with incomes above 50% FPL are subject to monthly premiums of 2% of income. Enrollees receive a credit in the amount of their premiums toward copayments incurred, so that they effectively only have to pay copayments that exceed 2% of income. Those with incomes above poverty can be disenrolled for nonpayment after notice and a 90-day grace period and can reenroll upon payment of arrears or after the debt is assessed against their state income taxes, no later than the end of the calendar quarter. Reenrollment does not require a new application, and the state must establish a process to exempt beneficiaries from disenrollment for good cause. Individuals below poverty cannot be disenrolled for nonpayment of premiums.

Source: M. Musumeci and R. Rudowitz, "The ACA and Medicaid Expansion Waivers," The Kaiser Commission on Medicaid and the Uninsured, November 2015, available at http://files.kff.org/attachment/issue-brief-the-aca-and-medicaid-expansion-waivers