The Affordable Care Act and Coverage for Pregnant Women: Where We Are and What Lies Ahead

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Saving Ohio’s Babies: Preventing Premature Birth and Other Causes of Our Infant Mortality Crisis

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National Health Law Program (NHeLP)

• National non-profit law firm committed to improving healthcare access and quality for low-income individuals
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Women’s Insurance Status

Women’s Health Insurance Coverage, 2011

- Job-Based, Dependent: 23%
- Job-Based, Own Name: 34%
- Medicaid: 12%
- Uninsured: 20%
- Other: 7%
- Government: 4%

Total = 96.1 Million Women Ages 18 to 64

NOTE: Other includes Medicare, TRICARE, and other sources of coverage. Data may not total 100% due to rounding.

Affordable Care Act (ACA)

- Health reform is projected to insure **33 million** people starting in 2014
- **16 million** people will gain coverage through the Exchange/Marketplace – most of them with subsidies
- **Up to 17 million** people will gain coverage through an expansion to the existing Medicaid program – aka the “Medicaid Expansion”

Countdown to Coverage!

October  →  January  →  March  →  Beyond
open enrollment begins!  →  coverage begins!  →  open enrollment closes
MARKETPLACE (EXCHANGE)
“Marketplace” – a.k.a. Exchange

• Starting October 1 “open enrollment” begins, and individuals will be able to enroll in coverage through the Marketplace which takes effect on January 1, 2014

• Insurances sold through the Marketplace come with numerous protections for consumers

• Most importantly: About 80% of the consumers buying insurance through the Marketplace will get a subsidy for the premium
Federal, State, Partnership Marketplaces

Kaiser Family Foundation (August 15, 2013)
Basic Protections in Marketplace

• Benefits package must include the Essential Health Benefits (EHB)
• Extensive package of preventive services must be covered without cost-sharing
• Guaranteed issue/renewal and no pre-existing condition exclusions;
• Various rating limitations
• No annual or lifetime limits (for EHBs)
Essential Health Benefit (EHB)

- All Marketplace plans must provide the full EHB package.
- Each state (and sometimes issuers) defines EHB, following three steps:
  1. State picks a “base benchmark” plan from options
  2. State must supplement that plan with services on the mandatory EHB services list
  3. State or issuer can do some limited “substituting”
## Essential Health Benefit (EHB)

<table>
<thead>
<tr>
<th>10 base benchmark options</th>
<th>10 mandatory EHB services</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 largest federal employee plans</td>
<td>Ambulatory patient services</td>
</tr>
<tr>
<td>3 largest state employee plans</td>
<td>Emergency services</td>
</tr>
<tr>
<td>3 largest small group plans</td>
<td>Hospitalization</td>
</tr>
<tr>
<td>1 largest commercial product</td>
<td>Maternity and newborn care</td>
</tr>
</tbody>
</table>

- Mental health & substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative & habilitative services & devices
- Laboratory services
- Preventive and wellness services (incl. chronic disease management)
- Pediatric services, including oral & vision care
§ 2713 of Public Health Service Act

Preventive Services, § 2713 PHSA

- Services with A or B rating from USPSTF
- Immunizations Recommended by CDC
- Preventive Care and Screenings for all ages
- Women’s preventive services

No cost sharing

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Women’s Preventive Services: Required Health Plan Coverage Guidelines

- Well-woman visits
- Screening for gestational diabetes
- Screening for HPV
- Counseling for STDS
- Counseling and screening for HIV
- Contraceptive methods and counseling (with refusal clause)
- Breastfeeding support, supplies, and counseling
- Screening and counseling for interpersonal violence
Preventive Services: Challenges and Opportunities

• Well-woman visit
  • Can be more than one
  • Opportunities to define broadly
  • Prenatal care

• Contraceptive coverage = all FDA-approved methods
  • Medical Management
  • “As prescribed”
  • Religious exemptions and accommodations

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Premium subsidies

- Premium subsidies are available on a sliding scale from 100-400% FPL
  - Premium subsidy = Advance Premium Tax Credit = APTC
- Eligibility basics
  - Individuals and families with income between 138%* to 400% FPL
  - Must be U.S. citizens or lawfully present in the U.S.
  - Must not be eligible for other “minimum essential coverage” (MEC)
    - Pregnancy-related Medicaid is not minimum essential coverage
Cost-sharing

• There is also a (confusing!) matrix of cost-sharing protections:
  • People with incomes up to 250% of the FPL
  • Plans will be sold on actuarial value “metal” tiers
  • Lower-income people get better AV variations
  • Out-of-pocket maximums also in place
  • Lower income people get better out-of-pocket maximums

• When is silver is better than gold?
• Beware of the “bronze trap”!
MEDICAID
Medicaid Basics

• Medicaid is the nation’s largest public health program, with over 60 million enrolled

• Federal-state partnership and funding (mandatory floor with option to do more)

• Today: to be eligible, individuals must be low-income and fit into an eligibility category
  • Ex. Pregnant women, very low-income parents, children, persons with disabilities
Medicaid Expansion Eligibility

Coming in 2014: A new eligibility category for low income individuals that don’t fit in today’s categories!

• Age 19-64 and not pregnant*

• Income up to 138% of FPL

• Must meet Medicaid citizenship and immigration status requirements

• No category requirement

• (And not eligible if already eligible in a traditional category. Traditional categories remain!)
State of the states...

*Graphic from Center on Budget and Policy Priorities (October 22, 2013)
Three Big Buckets of Benefits

- **Marketplace** → **EHB**
  - Essential Health Benefit

- **Medicaid Expansion** → **ABP (+ EHB)**
  - Alternative Benefit Plan

- **Traditional Medicaid** → **Traditional Medicaid benefit**
One Big Detour!

Medicaid Expansion → Vulnerable consumers → ABP (+ EHB)

Alternative Benefit Plan

Traditional Medicaid → Traditional Medicaid benefit
Pregnant Women’s Coverage Options

FULL MEDICAID
• Income level set by the state (in now repealed cash assistance program)

PREGNANCY-RELATED MEDICAID
• 133%-185% (depending on the state) of the FPL

MEDICAID EXPANSION
• If pregnant at application, a woman is not eligible
• If become pregnant after enrollment remains eligible at higher match rate until redetermination

MARKETPLACE
• Income between 100% and 400% of the FPL qualify for advance premium tax credits ("APTCs") and use those to purchase health insurance
• Some legal immigrants with incomes below 133% of the FPL
“Pregnancy-Related” Medicaid Coverage: Not Minimum Essential Coverage

• What does that mean?
  • **Tax credit:** Women eligible for Medicaid on the basis of pregnancy should be eligible for tax credits to purchase coverage through Marketplace
  • **Tax penalty:** IRS to issue guidance that women who in 2014 enroll in pregnancy-related Medicaid, but do not enroll in other coverage will not be assessed a tax penalty
  • **Choice:** Pregnant women should be able to choose which or both programs to enroll.
Some Outstanding Questions

• Will the IT system allow a pregnant woman to make a choice to enroll in QHP coverage with APTCs and/or Medicaid?

• What happens if a woman becomes pregnant after enrollment in Marketplace or Medicaid Expansion?

• What happens after 2014 to pregnant women enrolled only in pregnancy-related Medicaid coverage?
Coverage Options for Pregnant Women

If pregnant at application:

- Medicaid and/or*
- Marketplace

If not pregnant at application:

- Medicaid Expansion,
- Medicaid, and/or*
- Marketplace
BENEFIT DIFFERENCES
(Will likely vary by state)

MEDICAID
• Full-Scope Medicaid
• Pregnancy-related Medicaid
• Medicaid Expansion
• Some states
  • offer pregnant women and pregnant minors additional services (e.g., case management, dental, hearing, vision, home health and personal care services).
  • have state-only funding for abortion
• States must provide:
  • Transportation and language access
  • Early Periodic Screening Diagnosis and Treatment (EPSDT) for pregnant minors under 21

MARKETPLACE
• Some state flexibility
  • Essential health benefits (EHB), includes maternity and newborn care
  • QHPs must also cover prenatal care as preventive service without cost-sharing
Cost Differences?

MEDICAID

• *No* deductibles, copayments, etc. for services related to pregnancy or conditions that might complicate the pregnancy, including
  • prenatal care, labor and delivery
• Above 150% of the FPL may charge limited premiums
• After 2014, will women in pregnancy-related Medicaid be assessed a penalty for not having minimum essential coverage?

MARKETPLACE

• APTCs up to 400% of the FPL
• Cost-sharing reductions up to 250% of the FPL
• *No* cost-sharing for prenatal care, but there might be cost-sharing for labor and delivery
Continuity of Coverage and Care

TRANSITIONING MIGHT MEAN CHANGES IN

- provider networks,
- benefits,
- cost-sharing protections, and
- family coverage

A woman needs good information about her options to make a decision!
Notice

• Effective and timely notice, including appeal rights

• Confidentiality
Potential Options to Reduce Disruption in Coverage and Care

**BRIDGE PLANS:** Medicaid insurers offer coverage in the Marketplace.

**PREMIUM ASSISTANCE:** Medicaid program uses premium assistance to enroll a Medicaid eligible woman in Marketplace QHP.

- “Wrap” or “supplemental” benefits

**ENROLLMENT IN MEDICAID AND MARKETPLACE**
One Size Does Not Fit All

KEEP IN MIND:

- After 2014, liability for shared responsibility payment?
- Programs should work together to ensure continuity of coverage, cost-sharing protections, and access to complete network of providers and all covered benefits.
- Presumptive eligibility and enrollment periods
- Eligibility criteria (immigration status, FPL, etc.)
- Benefits (scope and accessibility)
- Cost (protections and timeliness of payment)
  - Medicaid’s third-party liability rules
- Provider network
- Confidentiality
- How long will she stay?
- Family coverage
THANK YOU

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